

# **CITY OF BRIGHTON, COLORADO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2008  
AND  
AUDITOR'S REPORT**

**CITY OF BRIGHTON, COLORADO**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**For the Year Ended December 31, 2008**

**Prepared By**

**FINANCE DEPARTMENT  
Bernadette Kimmey, Finance Director**

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**CITY OF BRIGHTON, COLORADO**

**OFFICIALS AND EXECUTIVES**

**MAYOR**

**JANICE E. PAWLOWSKI**

**CITY COUNCIL**

<b>Richard McLean, Mayor Pro-Tem</b>	<b>WARD I</b>	<b>Terry Moore</b>
<b>Cynthia Martinez</b>	<b>WARD II</b>	<b>David Gill</b>
<b>Wayne Scott</b>	<b>WARD III</b>	<b>Rob Farina</b>
<b>Daryl Meyers</b>	<b>WARD IV</b>	<b>Wilma Rose</b>

**CITY CLERK**

**Gayle Martinez**

**CITY ATTORNEY**

**Margaret Brubaker**

**CITY MANAGER**

**Manuel Esquibel**

**CHIEF OF POLICE**

**Clint Blackhurst**

**COMMUNITY DEVELOPMENT DIRECTOR**

**Marvin Falconburg**

**ECONOMIC DEVELOPMENT DIRECTOR**

**Raymond Gonzales**

**FINANCE DIRECTOR**

**Bernadette Kimmey**

**HUMAN RESOURCES DIRECTOR**

**Karen Borkowski**

**PARKS & RECREATION DIRECTOR**

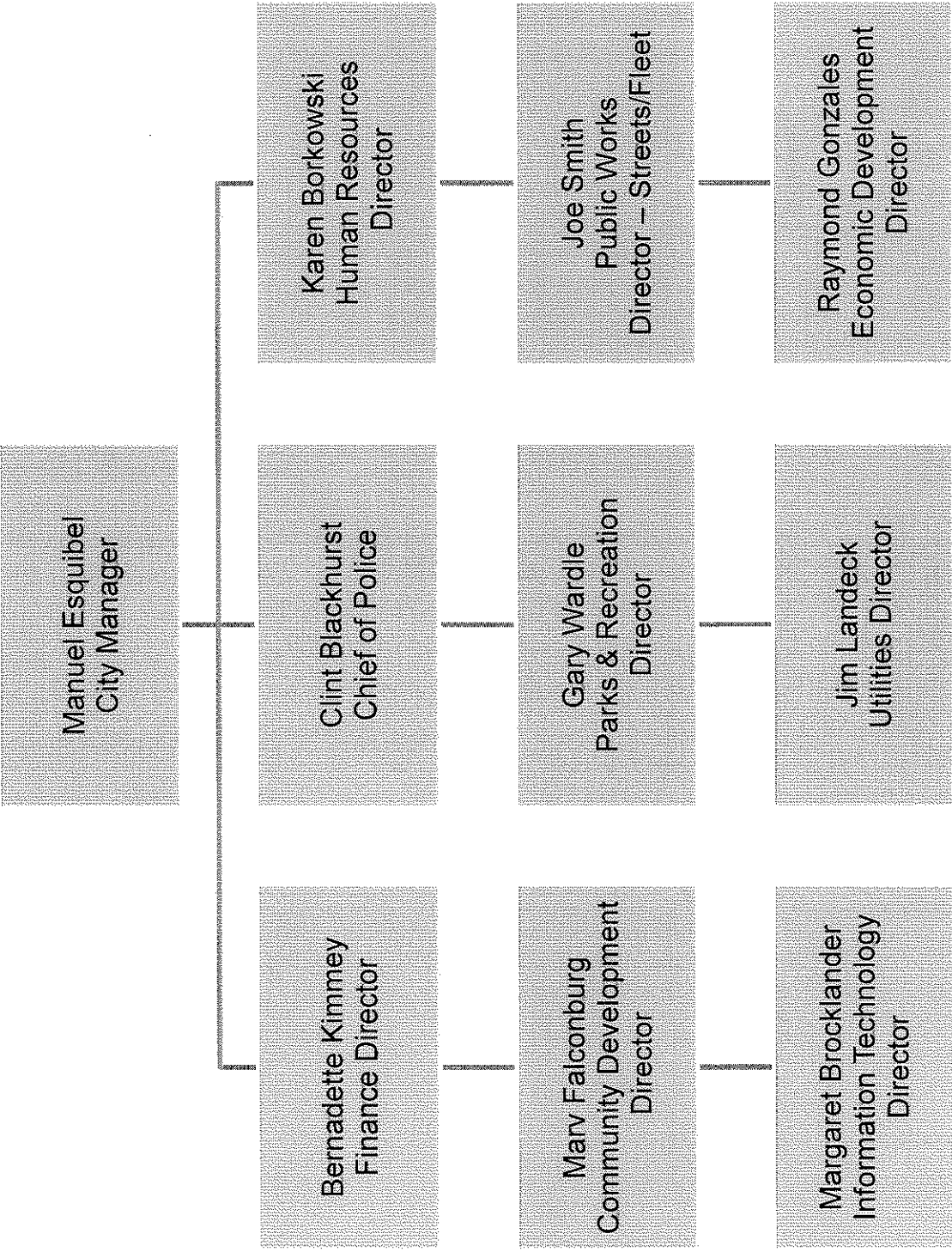
**Gary Wardle**

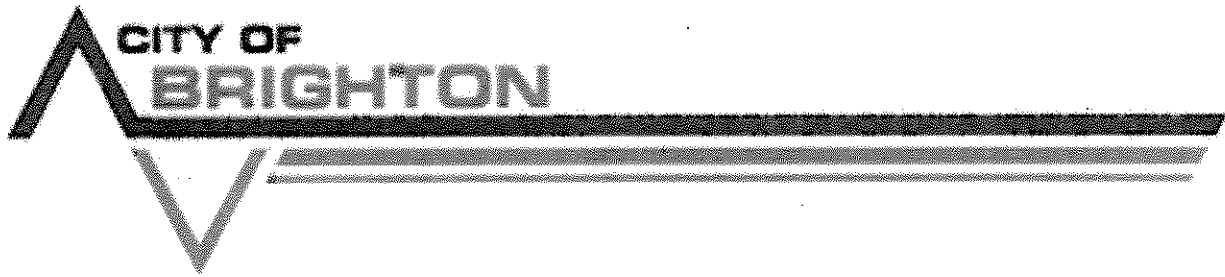
**PUBLIC WORKS DIRECTOR – STREETS/FLEET**

**Joe Smith**

**UTILITIES DIRECTOR**

**James Landeck**





July 9, 2009

To the Citizens of Brighton:

The Comprehensive Annual Financial Report of the City of Brighton for the fiscal year ended December 31, 2008 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City is required to provide a Comprehensive Annual Financial Report (CAFR) in a format that more clearly represents the financial condition of the City, similar to financial reports produced by the private sector companies. The Management's Discussion and Analysis (MD&A) section provides an overview of the City's financial activities for the year ended December 31, 2008.

The City was not required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, Audits of State, Local Governments and Non-Profit Organizations for fiscal year 2008.

This report includes all funds of the City. The City provides a full range of services. These services include police protection; the construction and maintenance of highways, streets and infrastructure; recreational activities and cultural events; planning and zoning; water and sewer services; and general administrative services. The City Council acts as the governing body for the *Housing Authority of the City of Brighton*, a Proprietary Fund and Business-Type Activity. The *Brighton Cultural Arts Commission* and the *Brighton Urban Renewal Authority* are separate legal entities; therefore, those activities are included in the reporting entity as discretely presented component units.

In 1992, the citizens of Colorado passed a constitutional amendment limiting the ability of the State, Counties, Cities, Special Districts and other "governmental entities" to raise taxes beyond 1992 taxation levels and spend revenues that are in excess of 1992 revenue times an annual



inflationary and local growth component. The Amendment in effect has created a “black box” for governments to operate within. Revenues in 2002 were limited to 2001 GAAP revenues plus an adjustment for local growth (as calculated by the Adams and Weld County Assessor’s offices) and inflation as measured by the increase in the Denver-Boulder Consumer Price Index (CPI). Brighton voters at the November 7, 2001 General Election approved a ballot measure that removed certain revenues from the annual calculations imposed by the amendment. The measure does not have a sunset date and is to provide that new developments cover more of the costs associated with growth that is imposed on municipal government. The water, sewer and drainage utilities fund is considered an “Enterprise” operation and excluded from the revenue limits of the amendment. Utility rate increases and the issuance of revenue bonds for the Enterprise operations do not require voter approval.

## **ECONOMIC CONDITION AND OUTLOOK**

The City of Brighton is located in Adams County, which is in the northeast Denver Metropolitan area. The City is the county seat for Adams County. The residential construction market dropped in 2008 and ended with 37 single-family, 6 public and 9 commercial building permits being issued. This slower growth trend is expected to continue through 2009.

In 2001, the Urban Renewal Authority (BURA) was created for the purpose of stimulating private re-investment in the downtown, along Bridge Street and the South Main/Bromley Lane development area. In 2005-2006 BURA developed an entertainment/transit center in downtown Brighton. In 2008 it purchased a former medical center and found non-profit agencies to occupy the space. It is also redeveloping a downtown site to construct a new library and cultural center for Brighton. The Authority is investing over \$250,000 with downtown businesses for physical improvements to their properties.

Existing local businesses Wal-Mart, K-Mart, King Soopers, Safeway, The Home Depot, Lowe’s, Kohl’s and Super Target are the city’s highest volume sales sites. In 2006, Super Target and Lowe’s opened on the eastern edge of the City. In 2007 Kohl’s and Petsmart opened in the Prairie Center, a 1,800 acre mixed-use development along I-76, starting with retail including medical office buildings, and residential in future phases. Dick’s Sporting Goods, Office Depot and Michael’s opened in Prairie Center in 2008. Platte Valley Medical Center relocated in 2007 to a location along the I-76 corridor just to the north of Prairie Center to service the region. A medical office building was also constructed on the campus. Lone Star Steakhouse opened in May, 2006 in the Pavilions Entertainment Center in the heart of the downtown business district.

Brighton City Council has continued its commitment to expanding both the employment base and range of retail opportunities by funding and working in cooperation with Brighton Economic Development Corporation, DIA Partnership and Adams County Economic Development

Corporation. Staple's Logistics Center opened in early 2007 and Intertape Polymer Corporation re-opened their manufacturing facility with two shifts adding over 70 new jobs in the community.

The completion of E-470 from I-76 to I-25 has linked Brighton both to I-25 and the southern Denver business area and technical center. The link has advanced the "Brighton Corridor" for improved access to the entire Denver Metropolitan area. Brighton has excellent transportation access including being located only 16 miles from Denver International Airport, and is served by two rail lines, State Highway 85 and Interstate 76. Coast-to-coast truck routes are available utilizing I-76 with its connections to I-70 and use of Highway 85 to link to I-80.

### **For the Future**

The economic conditions of the Denver metropolitan area remain weak, but the city is well positioned to benefit from new retail and industrial. Eight major housing developments will continue construction in 2009 including Brighton Crossing with 1,423 homes, Brighton East Farms with 512 homes and multi-family dwellings, Indigo Trails with 200 homes, the Preserve with 184 homes, Pheasant Ridge with 107 homes, Park Place with 71 homes, Sugar Creek with 59 homes, and The Village with 5 homes. Three commercial projects are planned for the Bromley Business Park. The Brighton Business Center is constructing its second phase, including two office/flex buildings and a motel. Later phases will include additional office and commercial space. JC Penney's and Buffalo Wild Wings will open in early 2009 in the Prairie Center. Vestas Blades, a manufacturer of wind turbines, is expected to open its operations in the City in 2010, bringing an anticipated 1,500 new jobs to the northern Brighton area.

Additional improvements planned for the future include:

- Development and purchase of raw water resources
- Round-a-bouts at I-76 and Bromley Lane
- Add an interchange at I-76 and Bridge Street
- Design and construct water and sewer lines to the southern Brighton area
- Design and construct water and sewer lines to the northern Brighton area
- Construct a non-potable irrigation system for parks

## **FINANCIAL INFORMATION**

The City maintains a system of internal accounting control. This system is designed to detect and prevent errors or irregularities. As a recipient of federal, state, and county financial assistance, the government is responsible for ensuring that an adequate internal control structure is in place for compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of the government.

**Budgetary Control:**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to September 20, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted by the City Council to obtain taxpayer comments.
3. Prior to December 31, the budget is legally enacted through passage of a resolution. The Resolution may be amended by the City Council for unforeseen circumstances.
4. Formal budgetary integration is employed as a management control device during the year for all funds for which a budget is legally adopted.
5. Budgets for the General, Special Revenue, Capital Projects and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The budget for the Enterprise Fund is adopted on a Non-GAAP basis except that bond proceeds are treated as other financing sources, capital outlay and debt service are treated as expenditures, and depreciation is not budgeted. This is in accordance with Colorado Budget Law.
6. All appropriations lapse at year-end. The appropriation resolution is by Fund only, except for capital outlay and capital projects, and can only be changed by City Council. Budget amounts for personal services, supplies, other services and charges are for management use only and can be changed by management.
7. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by Fund.

**Debt Administration:**

One measurement of a City's financial strength is the total debt payable by its citizens. Prior to 1990, Brighton paid for most of capital costs with current income and avoided large debt obligations. A large increase in issuance of debt during 1991 and 1992 was for bonds issued to construct the new Reverse Osmosis Water Treatment Plant and the new Recreation Center. The City of Brighton took advantage of low interest rates in 2002 and refunded two water issuances for a savings of \$637,685. Per capita debt as of December 31, 2008 was \$708.17.

**Cash Management:**

The City utilizes the prudent investor rule - minimizing risks while maintaining a competitive yield on its portfolio. The investment earnings for 2008 decreased \$741,323 or 23.16% percent from 2007 earnings mainly because of lower yields in the investment market.

**Water, Sewer and Drainage Operations:**

The City operates a combined water, sewer and drainage utilities Enterprise fund. In 1993 the City constructed a reverse osmosis water treatment plant and in 2000, 2001, 2002 and 2003 expanded its capacity. Because of the increased growth in 1999 - 2001, the City expanded its wastewater treatment plant that was completed during the fall of 2003. A joint wastewater treatment facility is being constructed with the Town of Lochbuie to serve the growing population in the Beebe Draw service area. A new wastewater treatment facility for the South Platte service area is also being planned. The City continually seeks methods to better serve the water and sewer customers while promoting water conservation. Storm drainage line expansion is also being conducted to divert storm waters around the perimeter of the city to the South Platte River. The City has an intergovernmental agreement with the Bromley Park Metropolitan District to plan, construct and maintain the drainage facilities that flow into the Beebe Draw.

## **OTHER INFORMATION**

**Risk Management:**

The City of Brighton and most other Colorado cities self-insure all liability, public property and fleets through the insurance pool, Colorado Intergovernmental Risk Sharing Agency (CIRSA). The City is liable for the first \$25,000 on each liability and property claim. The pool is liable for the next \$125,000 per claim and other insurance companies are liable from \$150,000 to \$5,000,000 on each claim.

**Pension Benefits:**

All regular City employees participate in the International City/County Management Association Retirement Corporation (ICMA-RC) Defined Contribution Money Purchase Plan. The employee contributes nine percent (9%) of their regular base pay to the Plan each paycheck, and the City matches that amount. Employees are vested at thirty-three 1/3 percent (33 1/3%) each year and fully vested at the end of three (3) years. The City has no further pension obligations beyond collecting the money from the employee through payroll deduction and forwarding the money to ICMA-RC.

Effective January 1, 2005, the sworn police officers for the City contribute to the Fire and Police Pension Association (FPPA) defined benefit plans. FPPA provides retirement, disability and death benefits for members or their beneficiaries. The employee contributes nine or ten percent (9% or 10%) of their regular base pay per paycheck, depending on the plan they choose, and the

City matches that amount. The City has no further pension obligations beyond collecting the money from the employee through payroll deduction and forwarding the money to FPPA.

**Use of this Report:**

In addition to the financial information presented, there is included herein a statistical section not only relating to financial condition, but also bonded debt and its relationship to other City functions; demographic information; and a comprehensive amount of data of the entire governmental structure of the City of Brighton. Use of this report by the departments of the City is encouraged when furnishing information to others, and further input to improve the report is solicited.

**Independent Audit:**

Colorado law requires an annual audit be made of the books of account, financial records and transactions of the City, by the Certified Public Accountant selected by the City Council. This requirement has been met and the Auditor's opinion has been included in this report.

**Awards:**

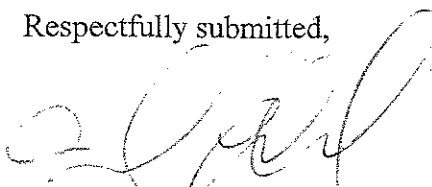

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Brighton for its comprehensive annual financial report for the fiscal year ended December 31, 2006. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, including the revision of the statistical section to comply with GASB 44 requirements.

**Acknowledgments:**

We wish to express our appreciation to the entire staff of the Finance Department for their efforts in producing this report and members of the City Council, for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

  
\_\_\_\_\_  
Manuel Esquibel, City Manager  
\_\_\_\_\_  
Bernadette J. Kimmey, Finance Director

## **FINANCIAL SECTION**



Honorable Mayor and Members of the City Council  
City of Brighton  
Brighton, Colorado

### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the City of Brighton as of and for the year ended December 31, 2008, which collectively comprise the basic financial statements of the City of Brighton, as listed in the table of contents. These financial statements are the responsibility of the City of Brighton's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the City of Brighton as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and required supplementary information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Brighton's basic financial statements. The combining and individual fund financial statements and schedules and local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Swanhorst & Company LLC*

July 9, 2009

## MANAGEMENT'S DISCUSSION AND ANALYSIS

For fiscal year 2008, Brighton is providing a Comprehensive Annual Financial Report (CAFR) in a format that more clearly represents the financial condition of the City, similar to financial reports produced by the private sector companies. This discussion and analysis of the City of Brighton's financial performance provides an overview of the City's financial activities for the year ended December 31, 2008. Read this section in conjunction with the transmittal letter at the beginning of this CAFR, the basic financial statements and notes to the financial statements.

Besides the MD&A, financial statements are listed and described below with additional information in the accompanying text:

*Statement of Net Assets* – the name for a balance sheet that combines all funds on a citywide basis.

*Statement of Activities* – the name of an income statement that combines all funds on a citywide basis.

Fund Financial Statements – Governmental Funds such as the General, Capital Improvement, Recreation Capital and other Funds; and, Business-type Funds – the label for the City's Water/Sewer/Drainage Utilities Enterprise Fund and the Housing Authority of the City of Brighton.

### FINANCIAL HIGHLIGHTS

- The assets of the City of Brighton exceeded its liabilities by \$209,611,749 as of December 31, 2008. Of this amount, \$60,037,731 may be used to meet the City's ongoing obligations to citizens and creditors.
- At the close of 2008, the City's Governmental funds reported combined ending fund balances of \$21,612,677 an increase of \$2,203,801 in comparison with the prior year. \$16,551,805 of this amount is available for spending at the City's discretion. The remainder is reserved for emergencies, 2009 budgeted projects and future projects.
- At fiscal year-end, the City's proprietary funds reported ending net assets of \$127,391,981 an increase of \$2,262,166 in comparison with the prior year. \$46,282,958 of this amount is available for spending at the City's discretion. The remainder is invested in capital assets.
- The City's total revenues of \$43,692,420 exceeded program expenses of \$37,414,102 for an increase in net assets of \$6,278,318.
- Overall, the City is in better financial position than it was in 2007, mainly from sales tax from new businesses.
- The amounts shown above do not include those of the component units.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Assets is a combined balance sheet. The Statement of Activities is a combined income statement. Both statements provide information about the activities of the City as a whole and present a longer-term view of the City's finances. The Fund Financial Statements tells how services were financed in the short-term as well as what remains for future spending, or reflects the operations of those Funds that are expected to stand on their own, and are similar to independent businesses. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's individual Funds.

#### Government-wide financial statements

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting,



which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net assets and changes in them. You can think of the City's net assets – the difference between assets and liabilities – as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's property tax base and the number and value of building permits to assess the overall health of the City.

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue and Changes in Net Assets. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the City's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants.

In the Statement of Net Assets and the Statement of Activities, we divide the City into two kinds of activities:

*Governmental activities* – Most of the City's basic services are reported here, including general government, public safety, public works, senior center, open space, recreation center, parks, cemetery, and community development. Sales and use taxes, property taxes, franchise fees, user fees, and intergovernmental revenue including state and federal grants, finance most of these activities.

*Business-type activities* – The City charges fees to customers to help it cover all or most of the costs of services it provides. The City's water, sewer and storm drainage operations are reported here as well as the Housing Authority of the City of Brighton.

The City includes two separate legal entities, the Brighton Cultural Arts Commission and the Brighton Urban Renewal Authority. Although legally separate, these "Component Units" are important because the City is financially accountable for those entities.

The government-wide financial statements can be found on pages 1 - 2 of this report.

### **Fund Financial Statements**

The Fund financial statements provide detailed information about the most significant Funds, not the City as a whole. Some Funds are required to be established by Generally Accepted Accounting Principles (GAAP), by State law or by bond covenants. However, the City Council establishes many other Funds to help it control and manage money for particular purposes, or to show it is meeting legal responsibilities for using certain taxes, grants, and other money. The City's two kinds of Funds – governmental and proprietary (known under GASB 34 as Business-type Funds) – use different accounting approaches.

*Governmental Funds* – Most of the City's basic services are reported in governmental Funds, which focus on how money flows into and out of those Funds and the balances left at year-end that are available for spending. These Funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental Fund information helps you determine

whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

The City's Governmental Funds are the General Fund, Capital Improvement Fund, Parks and Recreation Capital Fund, Landscaping Fund, Impact Fees Fund, Lottery Fund, Cemetery Fund, South Brighton General Improvement District (GID) Fund, Debt Service Fund, and Cemetery Perpetual Care Fund. For financial statement presentation purposes, the City treats the General Fund, the Capital Improvement Fund, and the Parks and Recreation Capital Fund as major.

The Governmental Funds financial statements can be found on pages 3 - 5 of this report.

*Proprietary Funds* – When the City charges customers for the services it provides, these services are generally reported in Proprietary Funds. Proprietary Funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the City's Enterprise Fund is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information such as cash flows. The City has two Proprietary Funds – the Water/Sewer/Drainage Utilities Enterprise Fund, and the Housing Authority of the City of Brighton Fund.

The Proprietary Fund financial statements can be found on pages 6 - 8 of this report.

#### **Notes to the financial statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 9 - 27 of this report.

#### **Other information**

In addition to the basic financial statements and accompanying notes, this report contains certain *required supplementary information* and certain additional supplementary information. Required supplementary information can be found on pages 28 - 30 and the additional supplementary information can be found beginning on page 31.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The City of Brighton's assets exceeded liabilities by \$209,611,749 as of December 31, 2008.

The City is able to report positive balances in all three categories of net assets, as of December 31, 2008, for the City as a whole and for the separate Governmental and Business-Type Activities.

The largest portion of the City's net assets (68.99%) is the investment in capital assets (land, buildings, improvements, equipment, etc.), less related outstanding debt used to acquire those assets. The City of Brighton uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, primarily future revenues. Unrestricted net assets may be used to meet the City's ongoing obligations to citizens and creditors.

The increase in net assets in the Governmental Activities is primarily from the addition of capital assets, from general revenues such as Open Space and Road and Bridge sales taxes received but not spent in

2008. The increase in net assets in the Business-type Activities is from the addition of capital assets, Water and Sewer Plant Investment Fees and Drainage Impact Fees.

Combined net assets of the City of Brighton at December 31, 2008 were as follows:

### City of Brighton's Net Assets

	Governmental Activities		Business-type Activities		Totals	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$25,821,910	\$23,710,668	\$47,965,693	\$53,202,978	\$73,787,603	\$ 76,913,646
Capital assets	77,207,713	69,137,941	89,745,747	81,655,387	166,953,460	150,793,328
<b>Total assets</b>	<b>103,029,623</b>	<b>92,848,609</b>	<b>137,711,440</b>	<b>134,858,365</b>	<b>240,741,063</b>	<b>227,706,974</b>
Long-term liabilities	12,946,472	7,886,645	7,289,358	7,822,425	20,235,830	15,709,070
Other liabilities	7,863,383	6,758,348	3,030,101	2,605,706	10,893,484	9,364,054
<b>Total liabilities</b>	<b>20,809,855</b>	<b>14,644,993</b>	<b>10,319,459</b>	<b>10,428,131</b>	<b>31,129,314</b>	<b>25,073,124</b>
<b>Net assets:</b>						
Invested in capital assets, net of debt	63,731,652	59,642,571	80,874,977	72,334,937	144,606,629	131,977,508
Restricted	4,733,343	5,404,940	234,046	0	4,967,389	5,404,940
Unrestricted	13,754,773	13,156,105	46,282,958	52,095,297	60,037,731	65,251,402
<b>Total net assets</b>	<b>\$82,219,768</b>	<b>\$78,203,616</b>	<b>\$127,391,981</b>	<b>\$124,430,234</b>	<b>\$209,611,749</b>	<b>\$202,633,850</b>

A summary of revenues and expenses that result in the change in net assets follows:

### City of Brighton's Changes in Net Assets

	Governmental Activities		Business-type Activities		Totals	
	2008	2007	2008	2007	2008	2007
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 3,044,887	\$3,428,026	\$10,685,469	\$10,565,860	\$13,730,356	\$13,993,886
Operating grants and contribution	991,571	1,860,214	1,662,392	0	2,653,963	1,860,214
Capital grants and contributions	3,634,425	3,581,925	748,366	5,747,136	4,382,791	9,329,061
General Revenues:						
Sales and use taxes	16,751,808	16,210,123	0	0	16,751,808	16,210,123
Other taxes	3,343,078	3,081,173	0	0	3,343,078	3,081,173
Grants/contributions not restricted	54,634	139,748	0	0	54,634	139,748
Other	752,765	912,559	2,023,025	2,538,634	2,775,790	3,451,193
<b>Total revenues</b>	<b>28,573,168</b>	<b>29,213,768</b>	<b>15,119,252</b>	<b>18,851,630</b>	<b>43,692,420</b>	<b>48,065,398</b>
<b>Expenses:</b>						
General government	8,620,265	10,257,758	0	0	8,620,265	10,257,758
Public Safety	5,676,002	5,712,692	0	0	5,676,002	5,712,692
Public Works	4,193,829	2,171,314	0	0	4,193,829	2,171,314
Senior Center	231,789	233,438	0	0	231,789	233,438
Open Space	0	0	0	0	0	0

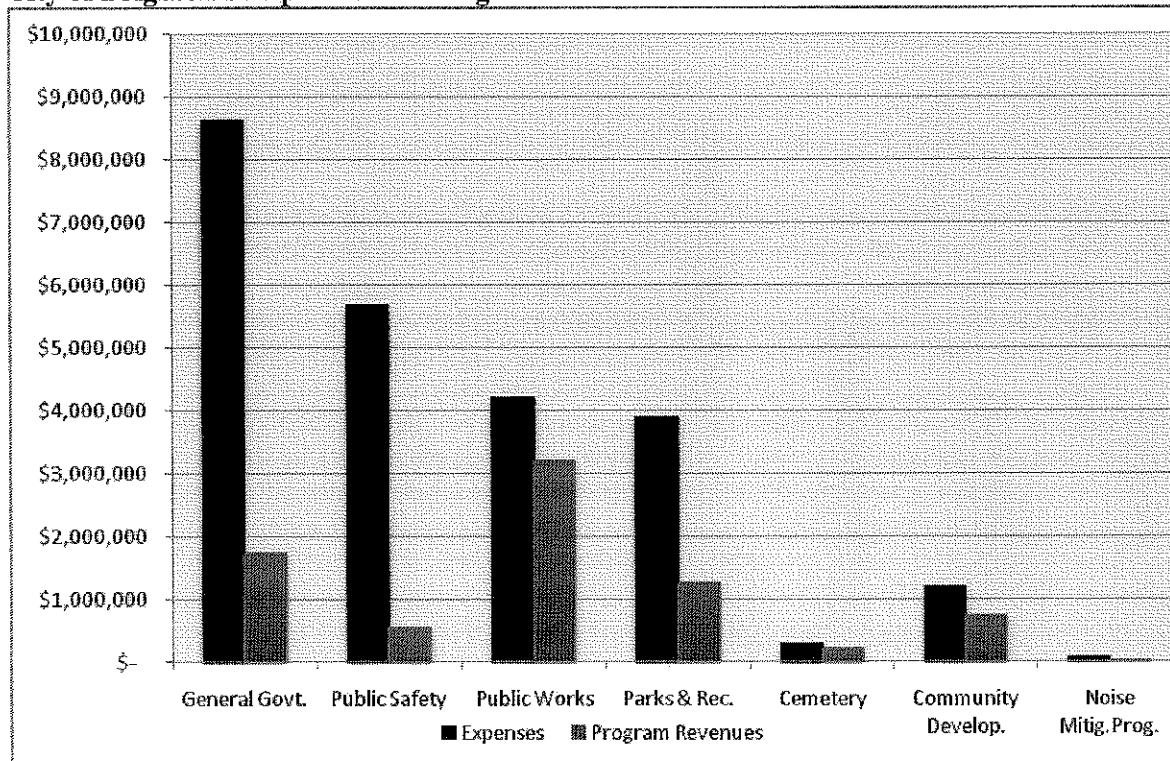
Parks and Recreation	3,647,881	3,160,714	0	0	3,647,881	3,160,714
Cemetery	294,660	329,898	0	0	294,660	329,898
Community Development	1,198,076	1,215,504	0	0	1,198,076	1,215,504
Noise Mitigation program	77,013	277,746	0	0	77,013	277,746
Interest on Long-Term Debt	617,051	496,341	0	0	617,051	496,341
Housing Authority	0	0	1,932,397	0	1,932,397	0
Water/Sewer/Drainage Operations	0	0	10,924,689	10,260,476	10,924,689	10,260,476
<b>Total expenses</b>	<b>24,557,016</b>	<b>23,855,405</b>	<b>12,857,086</b>	<b>10,260,476</b>	<b>37,414,102</b>	<b>34,115,881</b>
 Change in Net Assets	 4,016,152	 5,358,363	 2,262,166	 8,591,154	 6,278,318	 13,949,517
 Net assets, January 1 As Restated	 78,203,616	 72,845,253	 125,129,815	 115,839,080	 203,333,431	 188,684,333
<b>Net assets, December 31</b>	<b>\$82,219,768</b>	<b>\$78,203,616</b>	<b>\$127,391,981</b>	<b>\$124,430,234</b>	<b>\$209,611,749</b>	<b>\$202,633,850</b>

### Governmental Activities

The Governmental Activities Statement includes the revenues and expenses of the following Funds:

- General Fund
- Capital Improvement Fund
- Parks and Recreation Capital Fund
- Landscaping Fund
- Impact Fees Fund
- Lottery Fund
- Cemetery Fund
- South Brighton G.I.D. Fund
- Debt Service Fund
- Cemetery Perpetual Care Fund

### City of Brighton's Expenses and Program Revenues – Governmental Activities



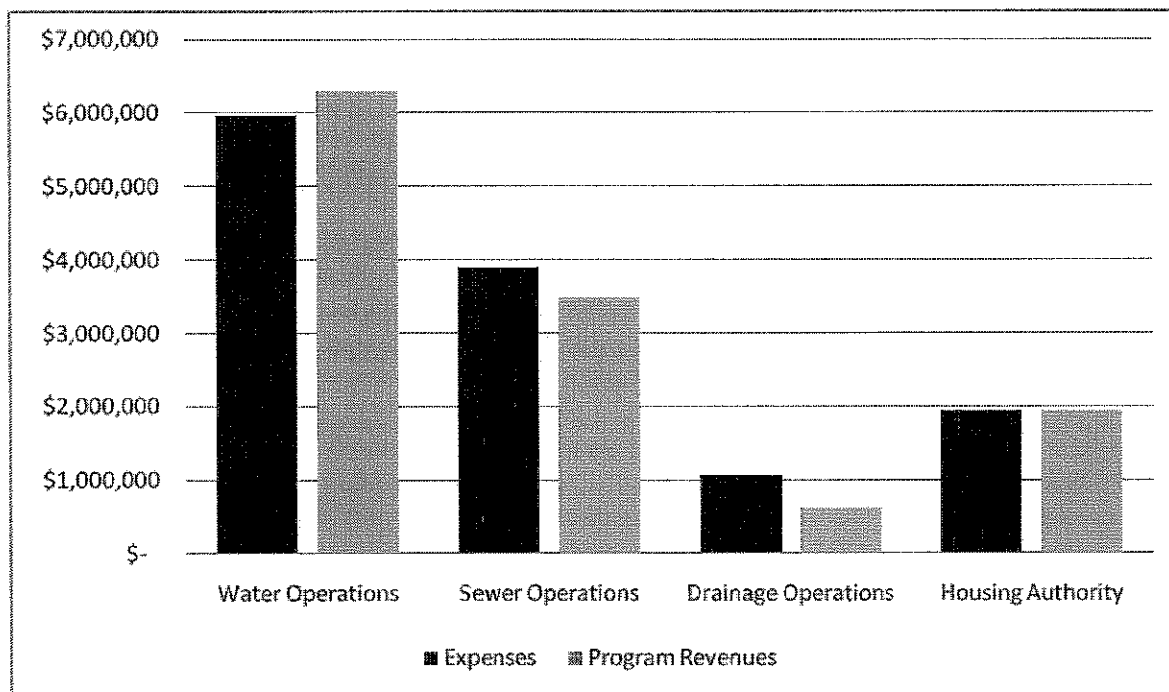
Program revenues received specifically for Governmental Activities are 31.24% of Governmental Activities expenses. The remainder is from the General revenues, such as taxes. General Government and Public Safety rely heavily on General revenues, whereas Public Works, Parks and Recreation, and Community Development rely more on user fees and charges for services to operate. The Noise Mitigation program is funded by two awards by the court for noise violations committed by Denver International Airport. The City received a total of \$3,305,672 in 2002 and 2003 to be used to mitigate the excess external noise for homes located in the violation areas. At the end of 2008, there was a balance of \$0.

In order to understand each of the Major Governmental Funds in detail, the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds, found on page 4 can be used.

### Business-type Activities

Business-type activities include the city-owned utilities (Water, Sewer, Storm Drainage), and the Housing Authority of the City of Brighton. Water, Sewer, Storm Drainage activities have user charges designed to fully cover operating expenses. In addition, system impact and water acquisition fees are charged to provide funds for expansion as needed. In developing areas, system improvements such as water and wastewater lines are built by the developer and contributed to the City. Housing Authority activities have rental unit income and grants and contributions to cover operating expenses. Net assets of the business-type activities increased \$2,262,166 in 2008. The Water, Sewer, Storm Drainage activities increased net assets 28.8%, while adding the Housing Authority of the City of Brighton in 2008, increased net assets 71.2%.

### City of Brighton's Expenses and Program Revenues – Business-type Activities



## **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

Information on the City's individual Funds begins on page 28 of this report. The fund balances of the Governmental Funds increased \$2,203,801 over 2007 and ended the year with a combined balance of \$21,612,677. The Proprietary Funds recognized a gain of \$2,262,166 from 2007 to 2008, and ended the year with total net assets of \$127,391,981. In the Capital Improvement Fund, sales tax revenue bonds were issued in the amount of \$7,700,000 to repair and improve 35 miles of streets. Of the total ending Governmental Funds fund balances, \$915,000 is reserved for emergencies. Unreserved undesignated fund balances total \$16,551,805, of which \$2,816,548 is in the General Fund, \$9,119,202 in the Capital Improvement Fund, and \$4,616,055 is unreserved in the other governmental funds but can only be spent for the purpose of that fund.

### **Governmental Funds**

#### **General Fund**

The General Fund accounts for all of the general governmental services provided by the City. This includes general government, public safety (police), public works, parks and recreation, and community development. Funding for these services comes from a variety of sources but is heavily funded by sales and use taxes. Total General Fund revenue decreased 2.99%, or \$576,748 under 2007. Tax revenue of \$13,909,990 was 74.35% of the total General Fund revenue and increased \$530,075, or 3.96%, over 2007. The largest increase in the General Fund revenues was \$669,129, from sales tax. General Fund expenditures decreased from 2007 to 2008 by \$2,397,245 or 11.24%. General Fund expenditures decreased \$1,815,783 in General Government, of which \$1,416,130 was a pass-through payment to the Brighton Urban Renewal Authority for grants received by the City in 2007; decreased \$30,660 in the Public Safety Department; decreased \$368,896 in the Public Works Department; increased \$28,995 in the Parks & Recreation Department; and, decreased \$10,168 in the Community Development Department. The Noise Mitigation Program decreased \$200,733. Total payroll decreased \$259,690 in 2008. New positions were not filled and some positions that were vacated were not filled, or delayed. Merit increases and market adjustments were not given in 2008.

The General Fund fund balance as of December 31, 2008 increased \$311,508 due primarily to the decrease in expenditures.

The changes above affected General Fund equity, which includes the General Fund Reserves (both TABOR and cash flow/emergencies). The balance in the General Fund Reserves decreased by \$410,929 due to Noise Mitigation money set aside in 2007 that was spent in 2008. City Council has adopted a policy to reserve the 3% required under TABOR, as well as an additional 25% of revenues for emergencies and for cash flow purposes. TABOR was a state constitutional amendment in 1992 that limited government's revenues to a certain percentage increase each year.

#### **Capital Improvement Fund**

The Capital Improvement Fund is funded by a one-cent (\$0.01) sales tax approved by the voters in 1976 to pay for capital equipment and projects costing over \$1,000 and having a useful life of greater than one-year. After money is set aside to cover debt service, City Council has established a policy whereby 35% of revenues are used for capital equipment, and 65% used for capital projects.

Another major source of revenue is the Adams County one-half cent (\$0.005) sales tax to be used strictly for road and bridge capital projects. This sales tax was approved by voters in 2001, started January 1, 2002 and sunsets December 31, 2008. All cities in Adams County, as well as unincorporated Adams County, benefit from this sales tax. Total Capital Improvement Fund revenues increased by \$45,928 or 0.82% over 2007, mainly from sales tax.

Expenditures increased by \$5,668,698 or 174% due to the following:

In 2008, 88% of the 2008 bond proceeds for road repairs and improvements were completed; the traffic signal at 27<sup>th</sup> Avenue and Bridge Street was installed; the traffic circles at I-76 and Bromley Lane were started.

The fund balance increased \$2,942,751 in 2008, mainly because of the 2008 bond proceeds not spent and projects that were started but not completed. The Capital Improvement Fund also has the 3%/25% reserve requirements.

### **Parks and Recreation Capital Improvement Fund**

The Parks and Recreation Capital Improvement Fund is funded by a three-fourths cent (\$0.0075) sales tax approved by voters in 1991 to pay the debt service on the construction of a Recreation Center and future capital equipment/projects, and to cover a portion of the costs of operations. Other revenues include a two and one-half tenths cent (\$0.0025) sales tax collected by Adams County and distributed to the various cities and unincorporated Adams County to be used strictly for open space acquisition and capital projects.

Total revenues increased by \$592,332 from 2007 to 2008, or 23.21%. The major variances in revenues are as follows:

- Increase of \$125,354 in sales taxes.
- Increase of \$495,789 from a Great Outdoors Colorado Grant and Adams County Open Space Grants
- Decrease of \$37,870 from earnings on investments

From 2007 to 2008, expenditures increased \$1,919,359. The major expenses in 2008 were the acquisition of the Campbell Park property for open space, the completion of the Skateboard Park, the Brighton Crossing Park, the Donelson Park, and the outdoor pool improvements.

The fund balance for the Parks and Recreation Capital Improvement Fund decreased \$573,428 from 2007 to 2008.

### **Landscaping Fund**

The Landscaping Fund was created to account for a contribution made by a developer to maintain the greenbelt on the perimeter of a newly built subdivision. Each year, \$6,000 is transferred into the General Fund to cover the costs to maintain that greenbelt area. Interest earnings are used first, the remainder comes from the principal contribution. Revenues for 2008 consisted only of interest earnings in the amount of \$7,671, down \$6,484 from 2007. Consequently, the ending fund balance is \$1,671 more than one year ago.

### **Impact Fees Fund**

The Impact Fees Fund was created to account for non-utility fees collected from developers to help pay for the increased impact their development is causing to the City. Money is collected for road and bridge construction and widening, and park construction, then transferred to either the Capital Improvement Fund or Parks and Recreation Capital Fund for expenditure as projects are budgeted. In 2008, revenues were \$437,390, a decrease of \$693,205, or 61.31%, under 2007. A total of \$130,679 was transferred to the Capital Improvement Fund for street projects, and \$362,565 was transferred to the Parks & Recreation Capital Fund for parks projects.

### **Lottery Fund**

The Lottery Fund was created to account for the money received from Lottery sales and is earmarked for specific purposes by the State, including parks and recreation equipment and capital projects. The fund balance decreased \$334,791 under 2007 because of the Skateboard Park and Pheasant Ridge Park projects that were constructed in 2008. Lottery revenues increased \$10,348 or 3.3% over 2007.

### **Cemetery Fund**

This Fund was created to account for the costs to maintain the City's three cemeteries. The Cemetery Fund does not generate enough revenue to be considered a Business-type Activity, and depends on the General Fund for about 25-30% of its revenue. In 2008, expenditures exceeded revenues by \$73,686. The entire fund balance as well as a transfer from the General Fund in the amount of \$78,045 was used to offset the deficit. Revenues decreased \$2,708 from 2007, and expenditures decreased \$33,041, accordingly.

### **South Brighton General Improvement District (GID) Fund**

In 2004, property owners of three parcels of land in south Brighton petitioned for the organization of a general improvement district (GID) within the city. The improvements to be acquired, constructed, installed, operated or maintained by the GID included water, sewer, drainage, and streets. City Council sits as the Board for the GID. In 2008, \$203,649 was loaned to the GID Fund from the Water Fund to start the engineering and design for the water and sewer lines to the GID. In 2009 there will be a bond issuance for construction of the lines.

### **Debt Service Fund**

This Fund was created to account for the debt service payments for the Capital Improvement and the Parks and Recreation Capital Funds. Expenditures for 2008 were \$650,492 more than 2007 because the first payment towards the 2008 Sales Tax Revenue Bonds was due December 1 (see Note 7 on pages 20 and 21).

### **Cemetery Perpetual Care Fund**

In 1975, the City Council adopted by ordinance a Cemetery Perpetual Care Fund. A fee is collected when a lot is sold and the revenues are placed in this Fund. It is the City Council's policy to collect revenues until the point that the City cemeteries can be maintained from interest earnings only, and that the principal will be kept intact. In 2008, \$33,345 was received in perpetual care fees and \$68,277 was received in investment income, for an ending fund balance of \$1,294,165.

### **Proprietary Funds**

#### **Water/Sewer/Drainage Utilities Enterprise Fund**

The City's Utilities Enterprise Fund is another major Fund of the City. For the year ending December 31, 2008, the increase in net assets of \$2,237,759 was primarily from a decrease in expenditures for capital projects.

Total operating revenues decreased \$418,204 or 3.83%, from 2007 to 2008. Major variances were as follows:

- In 2008, the water sales were down from 2007 in the amount of \$72,542 because of more vacant homes due to foreclosures.
- The Water Plant Investment Fees were down \$1,705,453 from 2007 because there was 159 fewer single family dwelling building permits issued.
- Investment earnings in 2008 were down \$694,603 due to declining interest rates.
- Sewer charges were up \$37,194 from additional homes and businesses.
- Sewer Plant Investment Fees were down \$279,731 from less construction in the South Platte basin.



- Storm Drainage Impact Fees were down \$293,772 because of fewer buildings constructed in the South Platte basin.

Total operating expenses (excluding depreciation) increased \$617,232 or 10.89%; \$523,664 was from operations, and \$24,989 was from administrative costs. A one-time payment for drainage improvements for the K-Mart Distribution Center in the amount of \$600,000 is the reason for most of the increase. Net assets increased \$2,237,759 or 1.8% from 2007. The City withholds 25% of operating revenues and debt service in reserves for cash flow and emergency purposes. This Fund is not subject to the 3% reserves required under TABOR.

### **Housing Authority of the City of Brighton Fund**

The Housing Authority owns and operates 61 units of housing for rent to low-income individuals and families. In 2008, 84.59% of operating revenues came from grants and contributions; 14.78% came from rental income. City Council sits as the board for the Housing Authority.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

General Fund revenues were \$743,852 more than budgeted, or 104.14% of final budget. The variances were due to lower than projected revenues from sales and use tax, and a one-time grant in the amount of \$628,000 from the State of Colorado Department of Local Affairs for rehabilitation of the former Platte Valley Medical Center that was purchased by the Brighton Urban Renewal Authority in 2007. The building is now occupied by non-profit organizations related to education.

General Fund expenditures resulted in being \$109,957 less than the final budget for the year.

- General Government ended the year \$220,703 over budget because of expenditure for the \$628,000 grant mentioned above that occurred too late in the year to amend the budget.
- Public Safety was \$121,921 under budget because of a decrease in training expenses.
- Public Works was \$27,820 over budget because of an increase in fuel and electricity expenses for street lights.
- Parks and Recreation was \$17,088 over budget because of an increase in electric and gas expenses.
- Community Development was \$69,274 under budget because of the Comprehensive Plan not being completed in 2008 and being re-budgeted for 2009.

The original 2008 adopted budget was \$1,111,398 or 5.57% less than the original 2007 adopted budget. The 2008 final budget was \$314,865, or 1.67%, more than the original 2008 budget. The largest increase between the original and the final budget was the re-budget of the Noise Mitigation program in 2008 that was not completed in 2007. The total General Fund budget adjustments for 2008 amounted to a net increase of \$314,865 resulting in an ending General Fund expenditure budget of \$19,048,789. Actual expenditures were \$18,938,832.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

The City's capital assets include major improvements to City infrastructure as well as capital equipment acquisition. Capital assets require a major initial investment, a continuing financial commitment for maintenance, and eventual replacement.

The City has a five-year Capital Improvement Plan that is updated each year in order to assist the City in long-term planning and budgeting for capital assets.

Fund balances from prior years are available after year-end in the Capital Improvement, Parks and Recreation Capital, Lottery, Utilities, and Impact Fees Funds for additional capital improvements not budgeted the previous fall.

Major additions to capital assets in 2008 were:

Governmental Activities:

- \$7,152,704 for road repairs and improvements, and paving alleys
- \$2,413,421 for new parks and improvements
- \$872,852 for open space acquisition and improvements

Business-type Activities:

- \$3,500,877 to acquire Erger's Pond for augmentation water storage
- \$2,273,916 to acquire water for augmentation purposes
- \$3,181,485 to construct a pipeline from the Fulton Lateral Ditch to the Mitchell Lakes down 148<sup>th</sup> Avenue for augmentation water carriage
- \$286,171 to rehabilitate the centrifuge at the wastewater treatment plant
- \$561,003 in storm drainage improvements

As of December 31, 2008, the City had \$165,740,927, net of depreciation, invested in capital assets, including equipment, buildings, park facilities, roads, bridges, land, water rights, and water/sewer/drainage utility lines. This represents a net increase of \$14,947,599 or 9.91% over 2007.

Additional information on the City's Capital Assets can be found in Note 6 on page 18 of this report.

### **Long-term Debt**

At year-end, the City had \$23,598,731 in outstanding bonds, notes, and capital leases compared to \$18,926,229 in 2007. The details of the City's debt are summarized in Note 7 to the financial statements found on pages 19-25 of this report.

### **City of Brighton Outstanding Debt**

In 2005, the Brighton Urban Renewal Authority (BURA) issued Tax Increment Revenue Bonds in the amount of \$5.64 million to refund the Authority's outstanding 2004 Revenue Bonds and the principal portion of the Authority's Tax Increment Special Fund Note for the Brighton Pavilions project. These Bonds are to be paid off from a property tax increment and a portion of the sales tax collected from all properties within the Pavilions retail complex located within the Brighton Urban Renewal Authority boundaries. In 2008, BURA issued \$4.7 million in Tax Increment Revenue Bonds to finance a portion of the acquisition, construction and improvements of a new public library site and performing arts complex. These Bonds are to be paid off from a property tax increment from all properties within the Brighton Urban Renewal Authority boundaries.

The State limits the amount of general obligation debt that cities can issue to 3% of actual value of all taxable property within the City's corporate limits (C.R.S. §31-15-302). The City's general obligation debt is significantly below the \$62.767 million state-imposed limit.

Long-term debt reported in the Governmental Activities is primarily the lease and purchase option for public improvements to streets and bridges in the City, as well as the balance remaining on a sale and lease-back arrangement used to finance the new Police/Court Building, and the construction of the Recreation Center. In 2008, the City issued Sales Tax Revenue Bonds for the purpose of constructing road repairs and improvements in the amount of \$7.7 million. Long-term debt in the Business-type

Activities includes the construction of the Reverse Osmosis Water Treatment Plant, the Beebe Draw wells and transmission lines project, and various wastewater projects.

Additional information on the City's Long-term Debt can be found in Note 7 on pages 19-25 of this report.

## **ECONOMIC FACTORS, NEXT YEAR'S BUDGETS, AND RATES**

Brighton's financial status is impacted from the local economy and growth. Total net sales tax received increased \$926,603, or 6.59% from 2007 to 2008. Building and Automobile use taxes decreased \$384,918 or 17.92% from 2007 to 2008. Franchise tax revenues increased \$126,259, or 13.99% from 2007 to 2008. Property tax increased \$123,697 or 7.3% from 2007 to 2008. These revenue sources comprise \$19,844,676 or 69.44% of the governmental funds revenue.

Rates for the utility fund are set to cover operating costs and capital needs. There was not a rate increase in 2008 or 2009, but there will be a rate increase in 2010 and 2011.

The budget adopted for 2009 continues the City's practice of conservative financial planning. 2008 revenues were used as a base with a modest increase in sales tax because of new commercial establishments being constructed and in planning review.

Capital items for 2009 include major street improvements and ongoing maintenance projects, open space improvements, new parks construction, storm drainage improvements, augmentation water acquisition, pipelines and storage facilities construction.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Finance Department at 22 South 4th Avenue, Brighton, Colorado 303-655-2006.

## **BASIC FINANCIAL STATEMENTS**

## CITY OF BRIGHTON, COLORADO

STATEMENT OF NET ASSETS

December 31, 2008

	PRIMARY GOVERNMENT			COMPONENT UNITS	
	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	URBAN RENEWAL AUTHORITY	CULTURAL ARTS COMMISSION
<b>ASSETS</b>					
Cash and Investments	\$ 18,207,081	\$ 45,321,512	\$ 63,528,593	\$ 1,245,502	\$ 590,693
Restricted Cash and Investments	2,856,837	234,046	3,090,883	3,244,398	-
Accounts Receivable	2,524,481	1,115,642	3,640,123	632,949	-
Taxes Receivable	1,997,441	-	1,997,441	1,439,411	-
Interest Receivable	37,606	88,125	125,731	2,438	1,025
Inventories	85,340	-	85,340	-	-
Prepaid Expenses	242,189	11,106	253,295	-	-
Internal Balances	(203,649)	203,649	-	-	-
Loan to Urban Renewal Authority	-	763,384	763,384	-	-
Notes Receivable	-	142,744	142,744	-	-
Property Held for Resale	-	-	-	542,187	-
Debt Issuance Costs, Net	74,584	77,099	151,683	189,246	-
Capital Assets, Not Being Depreciated	21,462,781	27,609,096	49,071,877	4,272,234	-
Capital Assets, Net of Accumulated Depreciation	55,744,932	62,136,651	117,881,583	1,956,171	-
<b>TOTAL ASSETS</b>	<b>103,029,623</b>	<b>137,703,054</b>	<b>240,732,677</b>	<b>13,524,536</b>	<b>591,718</b>
<b>LIABILITIES</b>					
Accounts Payable	677,022	568,821	1,245,843	367,470	231
Retainage Payable	45,420	106,891	152,311	1,011	-
Accrued Wages Payable	508,616	81,300	589,916	5,798	-
Accrued Liabilities	79,954	-	79,954	-	-
Deferred Revenues	2,019,441	-	2,019,441	1,439,411	45,378
Accrued Interest Payable	74,426	59,318	133,744	-	-
Deposits and Escrows	791,483	397,382	1,188,865	-	-
Surety Bonds	12,713	-	12,713	-	-
Loan from City	-	-	-	763,384	-
Noncurrent Liabilities					
Due Within One Year	3,654,308	1,808,003	5,462,311	57,954	-
Due in More Than One Year	12,946,472	7,289,358	20,235,830	10,341,248	-
<b>TOTAL LIABILITIES</b>	<b>20,809,855</b>	<b>10,311,073</b>	<b>31,120,928</b>	<b>12,976,276</b>	<b>45,609</b>
<b>NET ASSETS</b>					
Invested in Capital Assets, Net of Related Debt	63,731,652	80,874,977	144,606,629	4,638,723	-
Restricted for Emergencies	915,000	-	915,000	-	-
Restricted for Parks and Recreation	2,524,178	-	2,524,178	-	-
Restricted for Debt Service	698,278	-	698,278	815,994	-
Restricted for Cemetery Perpetual Care					
Expendable	599,952	-	599,952	-	-
Nonexpendable	694,213	-	694,213	-	-
Restricted for Housing Assistance Payments	-	234,046	234,046	-	-
Unrestricted	13,056,495	46,282,958	59,339,453	(4,906,457)	546,109
<b>TOTAL NET ASSETS</b>	<b>\$ 82,219,768</b>	<b>\$ 127,391,981</b>	<b>\$ 209,611,749</b>	<b>\$ 548,260</b>	<b>\$ 546,109</b>

The accompanying notes are an integral part of the financial statements.

## CITY OF BRIGHTON, COLORADO

STATEMENT OF ACTIVITIES

Year Ended December 31, 2008

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 8,620,265	\$ 535,974	\$ 63,780	\$ 1,128,000
Public Safety	5,676,002	508,168	35,994	-
Public Works	4,193,829	123,962	835,333	2,240,672
Senior Center	231,789	-	41,756	-
Recreation Center	1,318,543	937,702	-	-
Parks	1,498,935	-	-	265,753
Cemetery	294,660	214,842	5,015	-
Other Parks and Recreation	830,403	-	256,711	-
Community Development	1,198,076	724,239	-	-
Noise Mitigation Program	77,013	-	9,693	-
Interest on Long-Term Debt	617,501	-	-	-
Total Governmental Activities	24,557,016	3,044,887	1,248,282	3,634,425
Business-Type Activities				
Water, Sewer, and Drainage	10,924,689	10,405,501	-	748,366
Housing Authority	1,932,397	279,968	1,662,392	-
Total Business-Type Activities	12,857,086	10,685,469	1,662,392	748,366
TOTAL PRIMARY GOVERNMENT	\$ 37,414,102	\$ 13,730,356	\$ 2,910,674	\$ 4,382,791
COMPONENT UNITS				
Urban Renewal Authority	\$ 1,567,623	\$ -	\$ -	\$ 654,989
Cultural Arts Commission	100,613	-	117,851	-
TOTAL COMPONENT UNITS	\$ 1,668,236	\$ -	\$ 117,851	\$ 654,989

## GENERAL REVENUES

Sales Taxes

Use Taxes

Property Taxes

Franchise Taxes

Other Taxes

Grants and Contributions not Restricted  
to Specific Programs

Investment Income

Miscellaneous

TRANSFERS

SPECIAL ITEM

Distribution from Joint Venture

TOTAL GENERAL REVENUES,  
TRANSFERS AND SPECIAL ITEM

CHANGE IN NET ASSETS

NET ASSETS, Beginning

NET ASSETS, Ending

The accompanying notes are an integral part of the financial statements.

NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS				
PRIMARY GOVERNMENT			COMPONENT UNITS	
GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	URBAN RENEWAL AUTHORITY	CULTURAL ARTS COMMISSION
\$ (6,892,511)	\$ -	\$ (6,892,511)	\$ -	\$ -
(5,131,840)	-	(5,131,840)	-	-
(993,862)	-	(993,862)	-	-
(190,033)	-	(190,033)	-	-
(380,841)	-	(380,841)	-	-
(1,233,182)	-	(1,233,182)	-	-
(74,803)	-	(74,803)	-	-
(573,692)	-	(573,692)	-	-
(473,837)	-	(473,837)	-	-
(67,320)	-	(67,320)	-	-
(617,501)	-	(617,501)	-	-
(16,629,422)	-	(16,629,422)	-	-
-	229,178	229,178	-	-
-	9,963	9,963	-	-
-	239,141	239,141	-	-
(16,629,422)	239,141	(16,390,281)	-	-
-	-	-	(912,634)	-
-	-	-	-	17,238
-	-	-	(912,634)	17,238
14,732,370	-	14,732,370	125,404	-
1,762,727	-	1,762,727	-	-
1,818,770	-	1,818,770	1,206,838	-
1,274,098	-	1,274,098	-	-
250,210	-	250,210	-	-
54,634	-	54,634	-	-
756,265	1,480,258	2,236,523	160,478	16,621
-	120,372	120,372	13,721	1,320
(3,500)	3,500	-	-	-
-	418,895	418,895	-	-
20,645,574	2,023,025	22,668,599	1,506,441	17,941
4,016,152	2,262,166	6,278,318	593,807	35,179
78,203,616	125,129,815	203,333,431	(45,547)	510,930
\$ 82,219,768	\$ 127,391,981	\$ 209,611,749	\$ 548,260	\$ 546,109

## CITY OF BRIGHTON, COLORADO

BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2008

	GENERAL	CAPITAL IMPROVEMENT	PARKS AND RECREATION CAPITAL	OTHER GOVERNMENTAL FUNDS	TOTALS
<b>ASSETS</b>					
Cash and Investments	\$ 3,256,688	\$ 6,266,346	\$ 2,081,665	\$ 6,602,382	\$ 18,207,081
Restricted Cash and Investments	-	2,856,837	-	-	2,856,837
Accounts Receivable	1,529,486	744,322	249,853	820	2,524,481
Property Taxes Receivable	1,997,441	-	-	-	1,997,441
Interest Receivable	6,571	12,263	4,074	14,698	37,606
Inventories	85,340	-	-	-	85,340
Prepaid Items	242,189	-	-	-	242,189
<b>TOTAL ASSETS</b>	<b>\$ 7,117,715</b>	<b>\$ 9,879,768</b>	<b>\$ 2,335,592</b>	<b>\$ 6,617,900</b>	<b>\$ 25,950,975</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 323,021	\$ 200,013	\$ 73,642	\$ 80,346	\$ 677,022
Retainage Payable	-	5,975	1,368	38,077	45,420
Accrued Wages Payable	501,634	-	-	6,982	508,616
Accrued Liabilities	79,954	-	-	-	79,954
Due to Other Funds	-	-	-	203,649	203,649
Deferred Revenues	1,997,441	-	-	22,000	2,019,441
Deposits and Escrows	143,875	554,578	-	93,030	791,483
Surety Bonds	12,713	-	-	-	12,713
<b>TOTAL LIABILITIES</b>	<b>3,058,638</b>	<b>760,566</b>	<b>75,010</b>	<b>444,084</b>	<b>4,338,298</b>
<b>FUND BALANCES</b>					
Reserved for Emergencies	915,000	-	-	-	915,000
Reserved for Inventories	85,340	-	-	-	85,340
Reserved for Prepaid Items	242,189	-	-	-	242,189
Reserved for Parks and Recreation	-	-	2,260,582	263,596	2,524,178
Reserved for Cemetery Perpetual Care	-	-	-	-	-
Expendable	-	-	-	599,952	599,952
Nonexpendable	-	-	-	694,213	694,213
Unreserved, Reported in	-	-	-	-	-
General Fund	2,816,548	-	-	-	2,816,548
Special Revenue Funds	-	-	-	4,616,055	4,616,055
Capital Projects Funds	-	9,119,202	-	-	9,119,202
<b>TOTAL FUND BALANCES</b>	<b>4,059,077</b>	<b>9,119,202</b>	<b>2,260,582</b>	<b>6,173,816</b>	<b>21,612,677</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 7,117,715</b>	<b>\$ 9,879,768</b>	<b>\$ 2,335,592</b>	<b>\$ 6,617,900</b>	

Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. This amount is net of accumulated depreciation of \$43,465,235. 77,207,713

Long-term liabilities, including bonds payable (\$7,990,000), bond premium (\$169,759), net of debt issuance costs \$74,584, certificates of participation (\$6,095,000), capital leases (\$1,454,415), accrued compensated absences (\$891,606), and accrued interest payable (\$74,426) are not due and payable in the current year and, therefore, are not reported in the funds. (16,600,622)

Net Assets of Governmental Activities **\$ 82,219,768**

The accompanying notes are an integral part of the financial statements.



## CITY OF BRIGHTON, COLORADO

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended December 31, 2008

	GENERAL	CAPITAL IMPROVEMENT	PARKS AND RECREATION CAPITAL	OTHER GOVERNMENTAL FUNDS	TOTALS
REVENUES					
Taxes	\$ 13,909,990	\$ 3,592,386	\$ 2,335,799	\$ -	\$ 19,838,175
Licenses and Permits	487,218	-	-	-	487,218
Intergovernmental	1,847,310	1,769,207	710,731	308,456	4,635,704
Charges for Services	516,485	-	-	496,115	1,012,600
Charges for Services - Recreation Center	937,702	-	-	-	937,702
Fines and Forfeitures	386,103	-	-	-	386,103
Investment Income	117,190	300,089	88,751	250,235	756,265
Miscellaneous	505,612	3,055	9,059	5,175	522,901
TOTAL REVENUES	18,707,610	5,664,737	3,144,340	1,059,981	28,576,668
EXPENDITURES					
Current					
General Government	7,964,117	732,701	-	-	8,696,818
Public Safety	5,056,120	69,917	-	-	5,126,037
Public Works	1,717,715	7,992,269	-	-	9,709,984
Senior Center	216,738	-	-	-	216,738
Recreation Center	1,118,153	-	-	-	1,118,153
Parks	778,528	51,372	-	-	829,900
Cemetery	-	-	-	261,157	261,157
Other Parks and Recreation	844,337	923	-	-	845,260
Community Development	1,166,111	-	-	-	1,166,111
Noise Mitigation Program	77,013	-	-	-	77,013
Bond Issuance Costs	-	78,142	-	-	78,142
Capital Outlay	-	-	2,985,012	849,796	3,834,808
Debt Service					
Principal	-	-	-	2,172,517	2,172,517
Interest and Fiscal Charges	-	-	-	630,739	630,739
TOTAL EXPENDITURES	18,938,832	8,925,324	2,985,012	3,914,209	34,763,377
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(231,222)	(3,260,587)	159,328	(2,854,228)	(6,186,709)
OTHER FINANCING SOURCES (USES)					
Bonds Issued	-	7,700,000	-	-	7,700,000
Bond Premium	-	194,010	-	-	194,010
Capital Lease	-	500,000	-	-	500,000
Transfers In	624,275	130,679	362,565	2,876,442	3,993,961
Transfers Out	(81,545)	(2,321,351)	(1,095,321)	(499,244)	(3,997,461)
TOTAL OTHER FINANCING SOURCES (USES)	542,730	6,203,338	(732,756)	2,377,198	8,390,510
NET CHANGE IN FUND BALANCES	311,508	2,942,751	(573,428)	(477,030)	2,203,801
FUND BALANCES, Beginning	3,747,569	6,176,451	2,834,010	6,650,846	19,408,876
FUND BALANCES, Ending	\$ 4,059,077	\$ 9,119,202	\$ 2,260,582	\$ 6,173,816	\$ 21,612,677

The accompanying notes are an integral part of the financial statements.

CITY OF BRIGHTON, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2008

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances of Governmental Funds	\$ 2,203,801
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net assets and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays \$12,468,619 exceeded annual depreciation expense (\$4,375,918) and loss on disposal (\$22,929) in the current year.	8,069,772
Repayments of bonds \$875,000, certificates of participation \$370,000, capital lease \$927,517, and increases in compensated absences payable (\$107,188) are expenditures in the governmental funds, but they reduce long-term liabilities in the statement of net assets and do not affect the statement of activities.	2,065,329
Bond and lease proceeds provide current financial resources to governmental funds but issuing debt increases long-term liabilities in the statement of net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items: bond proceeds (\$7,700,000), bond premium (\$194,010), bond issuance costs \$78,142, and lease proceeds (\$500,000).	(8,315,868)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents an increase in accrued interest payable (\$11,013), amortization of debt issuance costs (\$20,120), and amortization of bond premium \$24,251.	(6,882)
Change in Net Assets of Governmental Activities	\$ <u>4,016,152</u>

The accompanying notes are an integral part of the financial statements.

## CITY OF BRIGHTON, COLORADO

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
December 31, 2008

	WATER, SEWER AND DRAINAGE	HOUSING AUTHORITY	TOTALS
ASSETS			
Current Assets			
Cash and Investments	\$ 45,079,685	\$ 241,827	\$ 45,321,512
Restricted Cash and Investments	-	234,046	234,046
Accounts Receivable	1,106,046	9,596	1,115,642
Interest Receivable	88,125	-	88,125
Prepaid Expenses	11,106	-	11,106
Due From Other Funds	203,649	-	203,649
Loan to Urban Renewal Authority	763,384	-	763,384
	<hr/>	<hr/>	<hr/>
TOTAL CURRENT ASSETS	47,251,995	485,469	47,737,464
Noncurrent Assets			
Notes Receivable	-	142,744	142,744
Debt Issuance Costs, Net of Accumulated Amortization	77,099	-	77,099
Capital Assets, Not Being Depreciated	27,156,749	452,347	27,609,096
Capital Assets, Net of Accumulated Depreciation	61,376,465	760,186	62,136,651
	<hr/>	<hr/>	<hr/>
TOTAL NONCURRENT ASSETS	88,610,313	1,355,277	89,965,590
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	135,862,308	1,840,746	137,703,054
LIABILITIES			
Current Liabilities			
Accounts Payable	543,045	25,776	568,821
Retainage Payable	106,891		106,891
Accrued Wages Payable	81,300	-	81,300
Accrued Interest Payable	59,318	-	59,318
Deposits and Escrows	382,923	14,459	397,382
Compensated Absences, Current Portion	129,679	-	129,679
Loans Payable, Current Portion	311,383	16,941	328,324
Bonds Payable, Current Portion	1,350,000	-	1,350,000
	<hr/>	<hr/>	<hr/>
TOTAL CURRENT LIABILITIES	2,964,539	57,176	3,021,715
Noncurrent Liabilities			
Compensated Absences	1,602	18,211	19,813
Loans Payable	2,117,218	1,041,371	3,158,589
Bonds Payable	4,110,956	-	4,110,956
	<hr/>	<hr/>	<hr/>
TOTAL NONCURRENT LIABILITIES	6,229,776	1,059,582	7,289,358
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	9,194,315	1,116,758	10,311,073
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	80,720,756	154,221	80,874,977
Restricted for Housing Assistance Payments	-	234,046	234,046
Unrestricted	45,947,237	335,721	46,282,958
	<hr/>	<hr/>	<hr/>
TOTAL NET ASSETS	\$ 126,667,993	\$ 723,988	\$ 127,391,981

The accompanying notes are an integral part of the financial statements.

## CITY OF BRIGHTON, COLORADO

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS

Year Ended December 31, 2008

	WATER, SEWER AND DRAINAGE	HOUSING AUTHORITY	TOTALS
OPERATING REVENUES			
Charges for Services	\$ 10,405,501	\$ 279,968	\$ 10,685,469
Grants and Contributions	-	1,601,929	1,601,929
Miscellaneous	108,510	11,862	120,372
TOTAL OPERATING REVENUES	10,514,011	1,893,759	12,407,770
OPERATING EXPENSES			
Operations	4,802,574	220,234	5,022,808
Housing Assistance Payments	-	1,371,480	1,371,480
Administration	1,393,386	227,295	1,620,681
Amortization	18,748	-	18,748
Depreciation	4,181,093	69,000	4,250,093
TOTAL OPERATING EXPENSES	10,395,801	1,888,009	12,283,810
OPERATING INCOME	118,210	5,750	123,960
NONOPERATING REVENUES (EXPENSES)			
Grants and Contributions	-	60,463	60,463
Investment Income	1,477,676	2,582	1,480,258
Interest Expense	(528,888)	(44,388)	(573,276)
TOTAL NONOPERATING REVENUES (EXPENSES)	948,788	18,657	967,445
INCOME BEFORE CAPITAL CONTRIBUTIONS, TRANSFERS AND SPECIAL ITEM	1,066,998	24,407	1,091,405
CAPITAL CONTRIBUTIONS, TRANSFERS AND SPECIAL ITEM			
Tap Fees	4,620	-	4,620
Plant Investment Fees	743,746	-	743,746
Transfers In	3,500	-	3,500
Distribution from Joint Venture	418,895	-	418,895
CHANGE IN NET ASSETS	2,237,759	24,407	2,262,166
NET ASSETS, Beginning	124,430,234	699,581	125,129,815
NET ASSETS, Ending	\$ 126,667,993	\$ 723,988	\$ 127,391,981

The accompanying notes are an integral part of the financial statements.

## CITY OF BRIGHTON, COLORADO

STATEMENT OF CASH FLOWSPROPRIETARY FUNDSIncrease (Decrease) in Cash and Cash Equivalents  
Year Ended December 31, 2008

	WATER, SEWER AND DRAINAGE	HOUSING AUTHORITY	TOTALS
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers	\$ 10,444,270	\$ 283,010	\$ 10,727,280
Grants and Contributions Received	-	1,601,929	1,601,929
Cash Received from Other Sources	108,510	11,862	120,372
Housing Assistance Payments	-	(1,371,480)	(1,371,480)
Cash Paid to Suppliers	(4,093,241)	(323,073)	(4,416,314)
Cash Paid to Employees	(2,023,061)	(164,151)	(2,187,212)
Net Cash Provided by Operating Activities	4,436,478	38,097	4,474,575
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash Paid to Other Funds	(203,649)	-	(203,649)
Cash Paid to Component Unit	(763,384)	-	(763,384)
Cash Received from Other Funds	3,500	-	3,500
Grants and Contributions Received	-	60,463	60,463
Net Cash Provided (Used) by Noncapital Financing Activities	(963,533)	60,463	(903,070)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Tap and Plant Investment Fees Received	748,366	-	748,366
Construction and Acquisition of Capital Assets	(10,952,029)	(16,523)	(10,968,552)
Distribution from Joint Venture	1,972,928	-	1,972,928
Payments Received on Notes Receivable	-	7,256	7,256
Principal Paid	(1,595,318)	(16,209)	(1,611,527)
Interest Paid	(469,973)	(44,388)	(514,361)
Net Cash Used by Capital and Related Financing Activities	(10,296,026)	(69,864)	(10,365,890)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	1,495,863	2,582	1,498,445
Net Cash Provided by Investing Activities	1,495,863	2,582	1,498,445
Net Increase (Decrease) in Cash and Cash Equivalents	(5,327,218)	31,278	(5,295,940)
CASH AND CASH EQUIVALENTS, Beginning	50,406,903	444,595	50,851,498
CASH AND CASH EQUIVALENTS, Ending	\$ 45,079,685	\$ 475,873	\$ 45,555,558
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating Income	\$ 118,210	\$ 5,750	\$ 123,960
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation and Amortization	4,199,841	69,000	4,268,841
Changes in Assets and Liabilities			
Accounts Receivable	(70,698)	456	(70,242)
Prepaid Expenses	(6,571)	-	(6,571)
Accounts Payable	65,729	(14,505)	51,224
Accrued Wages Payable	7,726	-	7,726
Deposits and Escrows	109,467	2,586	112,053
Compensated Absences	12,774	(25,190)	(12,416)
Total Adjustments	4,318,268	32,347	4,350,615
Net Cash Provided by Operating Activities	\$ 4,436,478	\$ 38,097	\$ 4,474,575

The accompanying notes are an integral part of the financial statements.

CITY OF BRIGHTON, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Brighton, Colorado, was incorporated in July, 1887, and became a home-rule city in 2000 as defined by Colorado Revised Statutes. The City is governed by a Mayor and eight-member City Council elected by the residents. The accounting policies of the City of Brighton (the "City") and its component units conform to generally accepted accounting principles as applicable to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

**Reporting Entity**

In accordance with governmental accounting standards, the City has considered the possibility of inclusion of additional entities in its financial statements. The definition of the reporting entity is based primarily on financial accountability. The City is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if City officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the City. The City may also be financially accountable for organizations that are fiscally dependent upon it.

Based on the application of these criteria, the City includes the following component units in its financial statements.

The *Housing Authority of the City of Brighton* (the "Authority") provides public housing services to citizens, including the purchase and redevelopment of low-income housing, operating public housing units owned by the Authority, and administration of a housing choice voucher program. The Authority is blended into the City's financial statements because the City Council acts as the governing board, and is presented as an enterprise fund. Complete financial statements may be obtained by contacting the Authority at 22 South 4<sup>th</sup> Avenue, Brighton Colorado 80601.

The *Brighton Urban Renewal Authority* ("BURA") provides redevelopment within the City limits. The City Council appoints the governing board of BURA. One of the BURA commissioners is a member of City Council. BURA is reliant upon the City to approve projects and receive funding.

The *Brighton Cultural Arts Commission* (the "Commission") provides cultural and arts activities to citizens. The City Council appoints the directors of the Commission and the significance of the City's relationship with the Commission is such that exclusion from the reporting entity would be misleading.

The Brighton Urban Renewal Authority and the Brighton Cultural Arts Commission do not issue separate financial statements and are discretely presented in the City's financial statements.

CITY OF BRIGHTON, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The *primary government* is reported separately from the legally separate *component units* for which the City is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current year.

Taxes, grants, and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the City.

CITY OF BRIGHTON, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use for a specific purpose, it is the City's practice to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements, the City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The *Capital Improvement Fund* accounts for the City's ongoing capital projects which are partially financed by a 1% percent sales tax approved by the voters in 1976.

The *Parks and Recreation Capital Fund* accounts for the City's ongoing parks and recreation capital projects which are financed by a .75% sales tax approved by voters in 1991, and intergovernmental revenues.

The City reports the following major proprietary funds:

The *Water, Sewer and Drainage Fund* accounts for the financial activities associated with the provision of water, sewer and storm drainage services.

The *Housing Authority of the City of Brighton* accounts for the activities of the Authority, primarily to provide affordable housing.



CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities and Net Assets/Fund Balances**

*Cash and Investments* - Cash equivalents include investments with original maturities of three months or less. Pooled investments are considered cash equivalents. Investments are stated at fair value.

*Receivables* - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

*Interfund Receivables and Payables* - During the course of operations, certain transactions occur between individual funds. The resulting receivables and payables are classified on the balance sheet as *due from other funds* and *due to other funds* when they are short-term in nature.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as *internal balances*.

*Inventories* - Inventories are valued at cost, using the first-in, first-out (FIFO) method. The costs of inventories are recorded as expenditures or expenses when consumed rather than when purchased.

*Prepaid Expenses* - Certain payments to vendors reflect costs applicable to future years and are reported as prepaid expenses.

*Capital Assets* - Capital assets, which include property, plant, equipment, and infrastructure acquired since 1980, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Capital assets of the City and its discretely presented component units are depreciated using the straight-line method over the following estimated useful lives.

Buildings and Improvements	5 - 60 years
Infrastructure	15 - 50 years
Collection and Distribution Systems	30 - 50 years
Machinery and Equipment	3 - 15 years

CITY OF BRIGHTON, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities and Net Assets/Fund Balances (Continued)**

*Deferred Revenues* - Deferred revenues arise when resources are received by the City before it has a legal claim to them, as when grant funding is received prior to the incurrence of qualifying expenditures. Property taxes earned but levied for a subsequent year are also deferred.

*Compensated Absences* - Employees of the City are allowed to accumulate unused personal leave. The maximum accumulation of personal leave time is limited to two years for most employees, and three years for department and executive directors. Depending on years of service, the maximum accrual allowed is 768 hours.

These compensated absences are recognized as current salary costs when earned in the proprietary funds and when due in the governmental funds. A long-term liability has been reported in the government-wide financial statements for the accrued compensated absences.

*Long-Term Debt* - In the government-wide financial statements, and the proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets. Debt premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the debt using the straight-line method.

In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current expenditures.

*Net Assets/Fund Balances* - In the government-wide financial statements and the proprietary fund financial statements, net assets are restricted when constraints placed on the net assets are externally imposed. In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

**Property Taxes**

Property taxes attach as an enforceable lien on property on January 1 and are levied by December 31. Taxes are payable in full the following year on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the City on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred revenue are reported at year end.

CITY OF BRIGHTON, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

**NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Accountability**

At December 31, 2008, the South Brighton General Improvement District Fund had a negative fund balance of \$194,037. This new entity began constructing water and sewer lines before property taxes were collected to finance the construction. The City agreed to finance this construction until tax revenues are received.

**NOTE 3: CASH AND INVESTMENTS**

Cash and investments are reported in the financial statements as follows:

Cash and Investments - Governmental Activities	\$ 18,207,081
Cash and Investments - Water, Sewer and Drainage Fund	45,079,685
Cash and Investments - BURA	1,245,502
Cash and Investments - Cultural Arts Commission	590,693
Restricted Cash and Investments - Governmental Activities	2,856,837
Restricted Cash and Investments - BURA	<u>3,244,398</u>
Total	<b><u>\$ 71,224,196</u></b>

A summary of cash and investments at December 31, 2008, follows:

Petty Cash	\$ 1,985
Cash Deposits	5,403,095
Investments	<u>65,819,116</u>
Total	<b><u>\$ 71,224,196</u></b>

**Cash Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires that local government entities deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2008, the City and the discretely presented component units had bank deposits of \$1,891,176 and \$3,052,830, respectively, collateralized with securities held by the financial institutions' agents but not in their name.

CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 3: CASH AND INVESTMENTS (Continued)**

**Investments**

The City and its component units are required to comply with State statutes which specify investment instruments meeting defined rating, maturity and custodial risk criteria in which local governments may invest, which include the following. The City's investment policy follows State statutes.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The City and its discretely presented component units had the following investments at December 31, 2008:

Investment Type	S&P Rating	Investment Maturities (in Years)			Fair Value
		Less Than 1	1-5	6-10	
U.S. Treasury Securities	N/A	\$ -	\$ -	\$ 298,344	\$ 298,344
Money Market Funds	Not Rated	698,307	-	-	698,307
Money Market Funds	AAAm	200,000	-	-	200,000
U.S. Agency Securities	N/A	2,030,885	6,465,434	-	8,496,319
U.S. Agency Securities	AAA	-	7,093,601	-	7,093,601
Local Government Investment Pools	AAAm	49,032,545	-	-	49,032,545
<b>Total</b>		<b>\$ 51,961,737</b>	<b>\$ 13,559,035</b>	<b>\$ 298,344</b>	<b>\$ 65,819,116</b>

*Interest Rate Risk* - State statutes limit investments in U.S. Treasury and Agency securities to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

*Credit Risk* - State statutes limit investments in U.S. Agency securities to the highest rating issued by two or more nationally recognized statistical rating organizations (NRSROs). State statutes also limit investments in money market funds to those that maintain a constant share price, with remaining maturity in accordance with Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by a NRSRO.

*Custodial Credit Risk* - At December 31, 2008, the City's investments in U.S. Treasury and Agency securities were held by the counterparty (broker), but not in the City's name.

CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 3: CASH AND INVESTMENTS (Continued)**

**Investments (Continued)**

*Concentration of Credit Risk* - State statutes do not limit the amount the City may invest in one issuer. At December 31, 2008, the City's investment in the Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association were 11%, 8%, and 5% of total investments, respectively.

*Local Government Investment Pool* - At December 31, 2008, the City had \$24,705,510 and \$24,327,035 invested in the Colorado Local Government Liquid Asset Trust (Colotrust) and the Colorado Surplus Asset Fund Trust (CSAFE), respectively, investment vehicles established by State statute for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pools. The pools operate similarly to a money market fund and each share is equal in value to \$1.00. The pools are rated AAAM by Standard and Poor's. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

**Restricted Cash and Investments**

At December 31, 2008, the Capital Improvement Fund held investments of \$2,856,837 restricted for capital projects and debt service. BURA held investments of \$3,244,398 restricted for capital projects and debt service.

**NOTE 4: INTERFUND BALANCES AND TRANSFERS**

During the year ended December 31, 2008, the Water, Sewer and Drainage Fund loaned \$203,649 to the South Brighton General Improvement District to finance the construction of water and sewer lines. Principal and interest are due on or before May 20, 2018. Interest accrues at the rate of 4% per annum.

Additionally, the Water, Sewer and Drainage Fund loaned BURA \$763,384 to finance capital improvements to the Brighton Life Long Learning and Resource Center. Principal and interest were due on or before May 1, 2009. Interest accrues at the average rate being paid by Colotrust Plus and CSAFE. In April 2009, the City approved an extension to the loan to May 1, 2010.

CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 4: INTERFUND BALANCES AND TRANSFERS** (Continued)

Interfund transfers for the year ended December 31, 2008, were comprised of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General	Landscaping	\$ 6,000
General	Parks and Recreation Capital	618,275
Water, Sewer and Drainage	General	3,500
Cemetery	General	78,045
Capital Improvement	Impact Fees	130,679
Parks and Recreation Capital	Impact Fees	362,565
Debt Service	Capital Improvement	2,321,351
Debt Service	Parks and Recreation Capital	477,046
Total		<u><b>\$ 3,997,461</b></u>

The Parks and Recreation Capital and Landscaping Funds reimbursed the General Fund for operations and maintenance of parks and recreation facilities. The General Fund reimbursed the Water, Sewer and Drainage Fund for operating expenses. The General Fund subsidized the operations of the Cemetery Fund. The Impact Fees Fund provided impact fee revenues to the Capital Improvement Fund for traffic improvements and the Parks and Recreation Capital Fund for parks and recreation construction projects. The Capital Improvement and Parks and Recreation Capital Funds transferred the required debt service payments to the Debt Service Fund.

**NOTE 5: PROPERTY HELD FOR RESALE**

During the year ended December 31, 2008, BURA acquired property for resale as part of a land and building exchange transaction with the Rangeview Library District. At December 31, 2008, BURA reported property held for resale with a cost of \$542,187.

**NOTE 6: INVESTMENT IN JOINT VENTURE**

The City was a participant in the Regional Wastewater Treatment Plant Authority (the "Wastewater Authority") which was formed in 2005 to construct and operate a wastewater treatment facility. Participants in the Wastewater Authority were the City of Brighton and South Adams County Water and Sanitation District. Oversight responsibilities and control of the Wastewater Authority was vested in a six-member committee with three members appointed by each party.

During the year ended December 31, 2008, the Wastewater Authority dissolved and the participants were refunded their proportionate share of the remaining assets. The City has reported this transaction as a special item in the Water, Sewer and Drainage Fund.

CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 6: INVESTMENT IN JOINT VENTURE (Continued)**

Financial statements for the Wastewater Authority can be obtained by contacting the City of Brighton, 22 South 4<sup>th</sup> Avenue, Brighton, Colorado 80601.

**NOTE 7: CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2008, is summarized below:

	Balances 12/31/07	Additions	Deletions	Balances 12/31/08
<b>Governmental Activities</b>				
Capital Assets, Not Being Depreciated				
Land	\$ 11,412,437	\$ 546,131	\$ -	\$ 11,958,568
Construction in Progress	2,650,686	6,853,527	-	9,504,213
Total Capital Assets, Not Being Depreciated	<u>14,063,123</u>	<u>7,399,658</u>	<u>-</u>	<u>21,462,781</u>
Capital Assets, Being Depreciated				
Buildings and Improvements	52,337,886	4,245,158	-	56,583,044
Infrastructure	31,261,131	-	-	31,261,131
Machinery and Equipment	10,763,767	823,803	221,578	11,365,992
Total Capital Assets, Being Depreciated	<u>94,362,784</u>	<u>5,068,961</u>	<u>221,578</u>	<u>99,210,167</u>
Less Accumulated Depreciation				
Buildings and Improvements	(25,940,627)	(2,230,198)	-	(28,170,825)
Infrastructure	(5,972,361)	(1,118,103)	-	(7,090,464)
Machinery and Equipment	(7,374,978)	(1,027,617)	(198,649)	(8,203,946)
Total Accumulated Depreciation	<u>(39,287,966)</u>	<u>(4,375,918)</u>	<u>(198,649)</u>	<u>(43,465,235)</u>
Total Capital Assets, Being Depreciated, Net	<u>55,074,818</u>	<u>693,043</u>	<u>22,929</u>	<u>55,744,932</u>
Governmental Activities Capital Assets, Net	<u><b>\$ 69,137,941</b></u>	<u><b>\$ 8,092,701</b></u>	<u><b>\$ 22,929</b></u>	<u><b>\$ 77,207,713</b></u>
<b>Water, Sewer and Drainage Fund</b>				
Capital Assets, Not Being Depreciated				
Land	\$ 2,611,422	\$ 3,500,877	\$ -	\$ 6,112,299
Water Rights	11,189,462	2,273,917	-	13,463,379
Construction in Progress	5,404,833	2,176,238	-	7,581,071
Total Capital Assets, Not Being Depreciated	<u>19,205,717</u>	<u>7,951,032</u>	<u>-</u>	<u>27,156,749</u>
Capital Assets, Being Depreciated				
Buildings and Improvements	31,166,404	118,337	-	31,284,741
Collection and Distribution Systems	66,984,074	2,945,798	-	69,929,872
Machinery and Equipment	2,698,379	43,753	10,779	2,731,353
Total Capital Assets, Being Depreciated	<u>100,848,857</u>	<u>3,107,888</u>	<u>10,779</u>	<u>103,945,966</u>

CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 7: CAPITAL ASSETS (Continued)**

	Balances 12/31/07	Additions	Deletions	Balances 12/31/08
Less Accumulated Depreciation				
Buildings and Improvements	(14,583,132)	(1,166,925)	-	(15,750,057)
Collection and Distribution Systems	(22,339,365)	(2,814,684)	-	(25,154,049)
Machinery and Equipment	(1,476,690)	(199,484)	(10,779)	(1,665,395)
Total Accumulated Depreciation	(38,399,187)	(4,181,093)	(10,779)	(42,569,501)
Total Capital Assets, Being Depreciated, Net	62,449,670	(1,073,205)	-	61,376,465
Water, Sewer and Drainage Fund				
Capital Assets, Net	<u>\$ 81,655,387</u>	<u>\$ 6,877,827</u>	<u>\$ -</u>	<u>\$ 88,533,214</u>
<b>BURA</b>				
Capital Assets, not Being Depreciated				
Construction in Progress	\$ 227,722	\$ 4,044,512	\$ -	\$ 4,272,234
Capital Assets, Being Depreciated				
Buildings and Improvements	2,041,951	-	-	2,041,951
Less Accumulated Depreciation				
Buildings and Improvements	(2,640)	(83,140)	-	(85,780)
Total Capital Assets, Being Depreciated, Net	2,039,311	(83,140)	-	1,956,171
BURA Capital Assets, Net	<u>\$ 2,267,033</u>	<u>\$ 3,961,372</u>	<u>\$ -</u>	<u>\$ 6,228,405</u>

Depreciation expense was charged to functions/programs of the City as follows:

Governmental Activities	
General Government	\$ 420,307
Public Safety	646,346
Public Works	2,341,174
Senior Center	23,923
Recreation Center	314,390
Parks	505,867
Cemetery	48,161
Other Parks and Recreation	53,083
Community Development	22,667
Total	<u>\$ 4,375,918</u>



CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 8: LONG-TERM DEBT**

**Governmental Activities**

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2008.

	Balance 12/31/07	Additions	Payments	Balance 12/31/08	Due Within One Year
<b>Governmental Activities</b>					
Revenue Bonds	\$ 1,165,000	\$ 7,700,000	\$ 875,000	\$ 7,990,000	\$ 1,360,000
Bond Premium	-	194,010	24,251	169,759	-
Certificates of Participation	6,465,000	-	370,000	6,095,000	385,000
Capital Leases	1,881,932	500,000	927,517	1,454,415	1,116,849
Compensated Absences	784,418	852,903	745,715	891,606	792,459
<b>Total</b>	<b><u>\$ 10,296,350</u></b>	<b><u>\$ 9,246,913</u></b>	<b><u>\$ 2,942,483</u></b>	<b><u>\$ 16,600,780</u></b>	<b><u>\$ 3,654,308</u></b>

During 1996, the City issued 1996B Sales Tax Refunding Bonds for the purpose of refunding a portion of the 1991 Sales Tax Revenue Bonds originally issued to construct the recreation center. Principal payments are due annually on December 1, through 2010. Interest payments are due semi-annually on June 1 and December 1. Interest accrues at rates ranging from 3.9% to 5.3% per annum. Annual debt service requirements for the outstanding bonds at December 31, 2008, were as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 440,000	\$ 39,750	\$ 479,750
2010	310,000	16,430	326,430
<b>Total</b>	<b><u>\$ 750,000</u></b>	<b><u>\$ 56,180</u></b>	<b><u>\$ 806,180</u></b>

During 2008, the City issued 2008A Sales Tax Revenue Bonds for the purpose of constructing road repairs and improvements. Principal payments are due annually on December 1, through 2015. Interest payments are due semi-annually on June 1 and December 1. Interest accrues at rates ranging from 2.15% to 4% per annum. Annual debt service requirements for the outstanding bonds at December 31, 2008, were as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 920,000	\$ 279,431	\$ 1,199,431
2010	955,000	239,956	1,194,956
2011	990,000	201,456	1,191,456
2012	1,030,000	161,456	1,191,456
2013	1,075,000	121,428	1,196,428
2014 - 2015	2,270,000	114,700	2,384,700
<b>Total</b>	<b><u>\$ 7,240,000</u></b>	<b><u>\$ 1,118,427</u></b>	<b><u>\$ 8,358,427</u></b>

CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 8: LONG-TERM DEBT** (Continued)

**Governmental Activities** (Continued)

The 1996 and 2008 bonds are payable solely from the revenues derived from a 1% sales tax recorded in the Capital Improvement Fund. In addition, a .6% sales tax recorded in the Parks and Recreation Capital Fund is pledged for payment of the 1996 bonds. During the year ended December 31, 2008, revenues of \$3,347,193 were available to pay the annual debt service of \$1,124,846, with an additional \$1,487,271 available for debt service on the 1996 bonds.

During 2000, the City issued Certificates of Participation to construct a new municipal court and police facility. Principal payments are due annually on December 1, through 2020. Interest payments are due semi-annually on June 1 and December 1. Interest accrues at rates ranging from 4.3% to 5.2% per annum. Annual debt service requirement for the outstanding certificates of participation at December 31, 2008, were as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 385,000	\$ 300,196	\$ 685,196
2010	405,000	281,727	686,727
2011	420,000	262,235	682,235
2012	440,000	241,170	681,170
2013	465,000	231,140	696,170
2014 - 2018	2,695,000	768,820	3,463,820
2019 - 2020	1,285,000	101,140	1,386,140
Total	<u>\$ 6,095,000</u>	<u>\$ 2,186,428</u>	<u>\$ 8,281,458</u>

During 2004, the City entered into a lease and purchase option agreement for public improvements to streets and bridges. The terms of the agreement call for five annual payments due in April, through 2009. Interest accrues at the rate of 2.9% per annum. The City capitalized street improvements of \$4,500,000 under this lease. One payment of \$982,093, including interest of \$27,678, remains under this capital lease obligation at December 31, 2008.

During 2008, the City entered into a lease and purchase option agreement for computer equipment. The terms of the agreement call for semi-annual payments beginning March 1, 2009, through September 1, 2011. Interest accrues at the rate of 3.4% per annum. The City capitalized computer equipment of \$500,000 under this lease. Following is a schedule of future minimum lease payments required under this capital lease obligation at December 31, 2008.

CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 8: LONG-TERM DEBT** (Continued)

**Governmental Activities** (Continued)

Year Ended December 31,

2009	\$ 176,017
2010	176,017
2011	<u>176,017</u>
Total Lease Payments	528,051
Less: Interest	<u>(28,051)</u>
Present Value of Future Minimum Lease Requirements	<u><b>\$ 500,000</b></u>

Compensated absences are expected to be liquidated primarily with revenues of the General Fund.

**Business-Type Activities**

Following is a summary of long-term debt transactions for the Water, Sewer and Drainage Fund for the year ended December 31, 2008.

	Balance <u>12/31/07</u>	<u>Additions</u>	<u>Payments</u>	Balance <u>12/31/08</u>	Due Within <u>One Year</u>
<b>Water, Sewer and Drainage Fund</b>					
General Obligation Bonds	\$ 7,000,000	\$ -	\$ 1,295,000	\$ 5,705,000	\$ 1,350,000
Deferred Refunding Charges	(312,622)	-	(68,578)	(244,044)	-
Loans Payable	2,728,919	-	300,318	2,428,601	311,383
Compensated Absences	<u>118,507</u>	<u>157,284</u>	<u>144,510</u>	<u>131,281</u>	<u>129,679</u>
Total	<u><b>\$ 9,534,804</b></u>	<u><b>\$ 157,284</b></u>	<u><b>\$ 1,671,250</b></u>	<u><b>\$ 8,020,838</b></u>	<u><b>\$ 1,791,062</b></u>

During 1996, the City issued General Obligation Refunding Water Bonds to refinance a portion of the Series 1991 Bonds. Principal payments are due annually on December 1, through 2011. Interest payments are due semi-annually on June 1 and December 1. Interest accrues on the bonds at rates ranging from 4.7% to 5.5%. The deferred refunding charges have been capitalized and are being amortized over the life of the bonds using the straight-line method.

During 2002, the City issued General Obligation Refunding Water Bonds to refinance the remaining Series 1991 and 1992 Bonds. Principal payments are due annually on December 1, through 2012. Interest payments are due semi-annually on June 1 and December 1. Interest accrues on the bonds at rates ranging from 2.5% to 4.0%. The deferred refunding charges have been capitalized and are being amortized over the life of the bonds using the straight-line method.

CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 8: LONG-TERM DEBT** (Continued)

**Business-Type Activities** (Continued)

Annual debt service requirements for the outstanding general obligation bonds at December 31, 2008, were as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 1,350,000	\$ 270,710	\$ 1,620,710
2010	1,890,000	208,023	2,098,023
2011	1,980,000	116,365	2,096,365
2012	<u>485,000</u>	<u>19,400</u>	<u>504,400</u>
Total	<u><b>\$ 5,705,000</b></u>	<u><b>\$ 614,498</b></u>	<u><b>\$ 6,319,498</b></u>

During 1995, the City entered into a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA) to finance improvements to the sewer system. Principal payments are due annually on September 1, through 2015. Interest payments are due semi-annually on March 1 and September 1. Interest accrues at rates ranging from 4.1% to 5.65% per annum. This loan is payable solely from revenues of the City's sewer system after deduction of operating and maintenance costs. During the year ended December 31, 2008, net revenues of \$2,619,871 were available to pay annual debt service of \$436,880.

During 2001, the City entered into a loan agreement with the Colorado Department of Local Affairs for the construction of a water line. The terms of the loan require annual payments due in September, through 2011. Interest accrues at the rate of 5% per annum.

Annual debt service requirements for the outstanding loans at December 31, 2008, were as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 311,383	\$ 133,713	\$ 445,096
2010	332,467	117,543	450,010
2011	326,414	98,842	425,256
2012	336,944	80,862	417,806
2013	352,738	62,303	415,041
2014 - 2015	<u>768,655</u>	<u>61,687</u>	<u>830,342</u>
Total	<u><b>\$ 2,428,601</b></u>	<u><b>\$ 554,950</b></u>	<u><b>\$ 2,983,551</b></u>

CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 8: LONG-TERM DEBT (Continued)**

**Component Unit**

Long-term debt transactions for BURA for the year ended December 31, 2008, were as follows:

	Balance 12/31/07	Additions	Payments	Balance 12/31/08	Due Within One Year
<b>BURA</b>					
Revenue Bonds	\$ 5,620,000	\$ 4,700,000	\$ 30,000	\$ 10,290,000	\$ 55,000
Discount	-	(47,000)	(2,350)	(44,650)	-
Loan Payable	147,630	-	4,886	142,744	-
Compensated Absences	26,422	287	15,601	11,108	2,954
Total	<u>\$ 5,794,052</u>	<u>\$ 4,653,287</u>	<u>\$ 48,137</u>	<u>\$ 10,399,202</u>	<u>\$ 57,954</u>

During 2005, BURA issued Tax Increment Revenue Refunding Bonds to refund the outstanding 2004 Revenue Bonds and the principal portion of the Tax Increment Special Fund Note which were issued to finance improvements at the Brighton Pavilions. Principal payments are due annually on December 1, through 2027. Interest payments are due semi-annually on June 1 and December 1. Interest accrues at 5.80% per annum.

During 2008, BURA issued Tax Increment Revenue Bonds to finance a portion of the acquisition, construction and improvement of a new public library site and performing arts complex. Principal payments are due annually on December 1, beginning in 2008, through 2027. Interest payments are due semi-annually on June 1 and December 1. Interest accrues at 5.60% per annum.

Annual debt service requirements for the outstanding bonds at December 31, 2008, were as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 55,000	\$ 587,440	\$ 642,440
2010	105,000	584,290	689,290
2011	155,000	578,300	733,300
2012	225,000	569,450	794,450
2013	260,000	556,600	816,600
2014 - 2018	2,040,000	2,504,800	4,544,800
2019 - 2023	3,135,000	1,793,100	4,928,100
2024 - 2027	<u>4,315,000</u>	<u>714,050</u>	<u>5,029,050</u>
Total	<u>\$ 10,290,000</u>	<u>\$ 7,888,030</u>	<u>\$ 18,178,030</u>

On April 16, 2006, BURA acquired the property located at 199 West Southern Street from the Brighton Housing Authority (Authority) in exchange for a tax increment note that will be paid with future revenues. In return, BURA conveyed the property to a developer to construct affordable housing. The note requires BURA to pay the Authority as tax increment revenues are collected, without interest.

CITY OF BRIGHTON, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

**NOTE 9: RISK MANAGEMENT**

**Public Entity Risk Pool**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to State statute.

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the City does not approve budgets nor does it have the ability to significantly affect the operations of CIRSA.

**NOTE 10: RETIREMENT COMMITMENTS**

**Employee Pension Plan**

The City contributes to a single employer defined contribution money purchase pension plan on behalf of its employees. The contribution requirements of Plan participants and the City are established and may be amended by the City Council. The Plan is administered by International City/County Management Association - Retirement Corporation (ICMA-RC). The City is required to contribute 9% of each participant's covered salary to the Plan, and employees must contribute 9% of covered salary. During the year ended December 31, 2008, the City and employee contributions were \$917,966 each, equal to the required contributions.

**Police Pension Plan**

The City provides pension benefits to sworn employees of the police department through the Fire and Police Pension Association (FPPA).

CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 10: RETIREMENT COMMITMENTS (Continued)**

**Police Pension Plan (Continued)**

*Plan Description* - The City contributes to the Statewide Hybrid Plan (SHP), a cost-sharing multiple-employer defined benefit and money purchase pension plan administered by FPPA. FPPA provides retirement and disability, annual increases, and death benefits for members or their beneficiaries. Title 31, Article 31, Part 1101, of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the SHP. That report may be obtained by contacting FPPA of Colorado, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado, 80111.

*Funding Policy* - Plan members and the City are required to contribute at a rate set by statute. The contribution requirements of Plan members and the City are established under Title 31, Article 31, of the CRS, as amended. The contribution rate for members and the City was 8% of covered salary for the past three years. The City's contributions to SHP for the years ended December 31, 2008, 2007 and 2006, were \$278,817, \$377,033, and \$276,633, respectively, equal to the required contributions.

**NOTE 11: COMMITMENTS AND CONTINGENCIES**

**Tabor Amendment**

In 1992, Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. In November, 2001, voters within the City authorized the City to collect, retain and spend certain designated taxes, grants, fees and other revenues without any limitation of the amendment. The amendment is complex and subject to judicial interpretation. The City believes it is in compliance with the requirements of the amendment. However, the City has made certain interpretations of the amendment's language in order to determine compliance.

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the amendment. At December 31, 2008, the emergency reserve of \$915,000 was reported as a reservation of fund balance in the General Fund.

BURA is not subject to the amendment. See: *Marian L. Olson v. City of Golden, et. al.* 53 P.3d 747 (Co. App.), certiorari denied.

CITY OF BRIGHTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2008

**NOTE 11: COMMITMENTS AND CONTINGENCIES (Continued)**

**Claims and Judgements**

The City participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. At December 31, 2008, significant amounts of grant expenditures have not been audited but management believes that subsequent audits will not have a significant effect on the overall financial position of the City.

**Litigation**

The City is involved in various lawsuits. The outcome of this litigation cannot be determined at this time.

**Redevelopment Agreement**

In July, 2004, BURA entered into an agreement to reimburse the developer of the Brighton Pavilions for certain costs incurred in development of the project. The reimbursements are payable in quarterly installments from property and sales tax increment revenues generated in the Brighton Pavilions area. The agreement expires in July, 2024. For the year ended December 31, 2008, BURA paid \$26,459 under this agreement.

**NOTE 12: RESTATEMENTS**

The City Council disbanded the existing board and began acting as the governing board of the Housing Authority of the City of Brighton (the "Authority"). As a result, the Authority is reported as a blended component unit in the City's financial statements. Net assets of the business-type activities at December 31, 2007, were restated to include the Authority, in the amount of \$699,581.

BURA determined that a portion of capital assets acquired in previous years should be reported as property held for resale. Capital assets and fund balance of BURA at December 31, 2007, were restated to report the property held for resale in the amount of \$205,094.

**NOTE 12: SUBSEQUENT EVENT**

During April 2009, the City issued \$30,165,000 Water Activity Enterprise Revenue Bonds for the purpose of financing the construction of improvements to the City's water and sewer systems.



## **REQUIRED SUPPLEMENTARY INFORMATION**

## CITY OF BRIGHTON, COLORADO

BUDGETARY COMPARISON SCHEDULEGENERAL FUND

Year Ended December 31, 2008

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
<b>REVENUES</b>				
Taxes				
Sales	\$ 9,144,950	\$ 9,094,950	\$ 9,049,378	\$ (45,572)
Use	2,504,100	2,162,100	1,762,727	(399,373)
Property	1,817,285	1,817,285	1,818,770	1,485
Franchise	805,000	870,000	1,028,905	158,905
Other	115,000	115,000	250,210	135,210
Licenses and Permits	688,550	548,550	487,218	(61,332)
Intergovernmental	1,072,294	1,095,808	1,847,310	751,502
Charges for Services	462,800	532,800	516,485	(16,315)
Charges for Services - Recreation Center	873,850	919,850	937,702	17,852
Fines and Forfeitures	427,000	427,000	386,103	(40,897)
Investment Income	150,000	100,000	117,190	17,190
Miscellaneous	141,961	280,415	505,612	225,197
<b>TOTAL REVENUES</b>	<b>18,202,790</b>	<b>17,963,758</b>	<b>18,707,610</b>	<b>743,852</b>
<b>EXPENDITURES</b>				
<b>General Government</b>				
General Services	3,788,473	3,791,573	4,227,741	(436,168)
City Council	275,552	264,852	254,766	10,086
Municipal Court	306,790	307,290	292,502	14,788
City Manager	324,010	356,586	350,051	6,535
Human Resources	403,827	347,258	283,568	63,690
Finance	290,845	290,845	293,187	(2,342)
City Clerk	230,957	231,957	226,142	5,815
Facilities Maintenance	701,839	683,574	607,462	76,112
Legal	396,200	431,200	421,011	10,189
Procurement	128,134	129,134	127,184	1,950
Information Systems	582,897	562,479	545,637	16,842
Economic Development	169,927	131,927	137,961	(6,034)
Special Events	214,739	214,739	196,905	17,834
Total General Government	7,814,190	7,743,414	7,964,117	(220,703)
<b>Public Safety</b>				
Police	4,769,607	4,877,955	4,759,236	118,719
Animal Control	150,159	150,159	145,122	5,037
Victims Advocate	71,285	71,285	71,945	(660)
Emergency Management	78,642	78,642	79,817	(1,175)
Total Public Safety	5,069,693	5,178,041	5,056,120	121,921

(Continued)

See the accompanying Independent Auditors' Report.

## CITY OF BRIGHTON, COLORADO

BUDGETARY COMPARISON SCHEDULEGENERAL FUND

Year Ended December 31, 2008

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
EXPENDITURES (Continued)				
<b>Public Works</b>				
Administrative	320,226	325,794	274,385	51,409
Streets	1,139,260	1,205,760	1,295,361	(89,601)
Fleet	158,341	158,341	147,969	10,372
Total Public Works	1,617,827	1,689,895	1,717,715	(27,820)
<b>Culture, Parks and Recreation</b>				
Senior Center	216,728	217,728	216,738	990
Recreation Center	1,071,704	1,083,204	1,118,153	(34,949)
Parks	823,936	802,056	778,528	23,528
Other Parks and Recreation	898,030	837,680	844,337	(6,657)
Total Culture, Parks and Recreation	3,010,398	2,940,668	2,957,756	(17,088)
<b>Community Development</b>				
Building Inspection	375,436	394,936	399,460	(4,524)
Planning and Zoning	882,380	840,449	766,651	73,798
Total Community Development	1,257,816	1,235,385	1,166,111	69,274
<b>Noise Mitigation Program</b>	-	261,386	77,013	184,373
TOTAL EXPENDITURES	18,769,924	19,048,789	18,938,832	109,957
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(567,134)	(1,085,031)	(231,222)	853,809
OTHER FINANCING SOURCES (USES)				
Transfers In	639,245	624,275	624,275	-
Transfers Out	(72,111)	(108,111)	(81,545)	26,566
TOTAL OTHER FINANCING SOURCES (USES)	567,134	516,164	542,730	26,566
NET CHANGE IN FUND BALANCE	-	(568,867)	311,508	880,375
FUND BALANCE, Beginning	2,131,089	2,131,089	3,747,569	1,616,480
FUND BALANCE, Ending	\$ 2,131,089	\$ 1,562,222	\$ 4,059,077	\$ 2,496,855

See the accompanying Independent Auditors' Report.

CITY OF BRIGHTON, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2008

**NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgets and Budgetary Accounting**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- In September, the City Manager submits to the Council a proposed operating and capital budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- The City administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Council.
- Budgets are legally adopted for all funds of the City. Budgets for the General, Special Revenue, Capital Projects, Debt Service, and Permanent Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for the Enterprise Fund are prepared on a non-GAAP budgetary basis. Capital outlay and debt principal are budgeted as expenditures and depreciation is not budgeted.
- All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

## CITY OF BRIGHTON, COLORADO

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
 December 31, 2008

	<u>SPECIAL REVENUE</u>			
	<u>LANDSCAPING</u>	<u>IMPACT FEES</u>	<u>LOTTERY RESERVE</u>	<u>CEMETERY</u>
<b>ASSETS</b>				
Cash and Investments	\$ 187,558	\$ 4,705,953	\$ 355,801	\$ 29,538
Accounts Receivable	-	-	-	820
Interest Receivable	218	9,210	696	58
<b>TOTAL ASSETS</b>	<u>\$ 187,776</u>	<u>\$ 4,715,163</u>	<u>\$ 356,497</u>	<u>\$ 30,416</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ 54,824	\$ 1,251
Retainage Payable	-	-	38,077	-
Accrued Wages Payable	-	-	-	6,982
Due to Other Funds	-	-	-	-
Deferred Revenues	-	-	-	22,000
Deposits and Escrows	93,030	-	-	-
<b>TOTAL LIABILITIES</b>	<u>93,030</u>	<u>-</u>	<u>92,901</u>	<u>30,233</u>
<b>FUND BALANCES</b>				
Reserved for Parks and Recreation	-	-	263,596	-
Reserved for Cemetery Perpetual Care	-	-	-	-
Expendable	-	-	-	-
Nonexpendable	-	-	-	-
Unreserved, Reported in				
Special Revenue Funds	94,746	4,715,163	-	183
<b>TOTAL FUND BALANCES</b>	<u>94,746</u>	<u>4,715,163</u>	<u>263,596</u>	<u>183</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 187,776</u>	<u>\$ 4,715,163</u>	<u>\$ 356,497</u>	<u>\$ 30,416</u>

See the accompanying Independent Auditors' Report.

	<u>DEBT SERVICE</u>	<u>PERMANENT</u>	
<u>SOUTH</u>		<u>PERPETUAL</u>	
<u>BRIGHTON</u>	<u>DEBT SERVICE</u>	<u>CARE</u>	<u>TOTAL</u>
<u>GID</u>			
\$ 33,817	\$ -	\$ 1,289,715	\$ 6,602,382
-	-	-	820
66	-	4,450	14,698
<u>\$ 33,883</u>	<u>\$ -</u>	<u>\$ 1,294,165</u>	<u>\$ 6,617,900</u>
\$ 24,271	\$ -	\$ -	\$ 80,346
-	-	-	38,077
-	-	-	6,982
203,649	-	-	203,649
-	-	-	22,000
-	-	-	93,030
<u>227,920</u>	<u>-</u>	<u>-</u>	<u>444,084</u>
-	-	-	263,596
-	-	599,952	599,952
-	-	694,213	694,213
<u>(194,037)</u>	<u>-</u>	<u>-</u>	<u>4,616,055</u>
<u>(194,037)</u>	<u>-</u>	<u>1,294,165</u>	<u>6,173,816</u>
<u>\$ 33,883</u>	<u>\$ -</u>	<u>\$ 1,294,165</u>	<u>\$ 6,617,900</u>

## CITY OF BRIGHTON, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
Year Ended December 31, 2008

	SPECIAL REVENUE			
	LANDSCAPING	IMPACT FEES	LOTTERY RESERVE	CEMETERY
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 308,456	\$ -
Charges for Services	-	281,433	-	181,337
Investment Income	7,671	155,957	15,902	959
Miscellaneous	-	-	-	5,175
<b>TOTAL REVENUES</b>	<b>7,671</b>	<b>437,390</b>	<b>324,358</b>	<b>187,471</b>
EXPENDITURES				
Current				
Cemetery	-	-	-	261,157
Capital Outlay	-	-	659,149	-
Debt Service				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>659,149</b>	<b>261,157</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>7,671</b>	<b>437,390</b>	<b>(334,791)</b>	<b>(73,686)</b>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	78,045
Transfers Out	(6,000)	(493,244)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(6,000)</b>	<b>(493,244)</b>	<b>-</b>	<b>78,045</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>1,671</b>	<b>(55,854)</b>	<b>(334,791)</b>	<b>4,359</b>
<b>FUND BALANCES (DEFICIT), Beginning</b>	<b>93,075</b>	<b>4,771,017</b>	<b>598,387</b>	<b>(4,176)</b>
<b>FUND BALANCES (DEFICIT), Ending</b>	<b>\$ 94,746</b>	<b>\$ 4,715,163</b>	<b>\$ 263,596</b>	<b>\$ 183</b>

See the accompanying Independent Auditors' Report.



SOUTH BRIGHTON GID	DEBT SERVICE	PERMANENT	TOTAL
	DEBT SERVICE	PERPETUAL CARE	
\$ -	\$ -	\$ -	\$ 308,456
-	-	33,345	496,115
1,469	-	68,277	250,235
-	-	-	5,175
1,469	-	101,622	1,059,981
-	-	-	261,157
190,647	-	-	849,796
-	2,172,517	-	2,172,517
4,859	625,880	-	630,739
195,506	2,798,397	-	3,914,209
(194,037)	(2,798,397)	101,622	(2,854,228)
-	2,798,397	-	2,876,442
-	-	-	(499,244)
-	2,798,397	-	2,377,198
(194,037)	-	101,622	(477,030)
-	-	1,192,543	6,650,846
\$ (194,037)	\$ -	\$ 1,294,165	\$ 6,173,816

## CITY OF BRIGHTON, COLORADO

BUDGETARY COMPARISON SCHEDULELANDSCAPING FUND

Year Ended December 31, 2008

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Investment Income	\$ 6,000	\$ 6,000	\$ 7,671	\$ 1,671
OTHER FINANCING SOURCES (USES)				
Transfers Out	(6,000)	(6,000)	(6,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(6,000)	(6,000)	(6,000)	-
NET CHANGE IN FUND BALANCE	-	-	1,671	1,671
FUND BALANCE, Beginning	87,920	87,920	93,075	5,155
FUND BALANCE, Ending	\$ 87,920	\$ 87,920	\$ 94,746	\$ 6,826

See the accompanying Independent Auditors' Report.

## CITY OF BRIGHTON, COLORADO

BUDGETARY COMPARISON SCHEDULEIMPACT FEES FUND

Year Ended December 31, 2008

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Charges for Services				
Impact Fees	\$ -	\$ -	\$ 281,433	\$ 281,433
Investment Income	-	-	155,957	155,957
TOTAL REVENUES	-	-	437,390	437,390
OTHER FINANCING SOURCES (USES)				
Transfers Out	(964,000)	(1,620,060)	(493,244)	1,126,816
NET CHANGE IN FUND BALANCE	(964,000)	(1,620,060)	(55,854)	1,564,206
FUND BALANCE, Beginning	4,584,536	4,584,536	4,771,017	186,481
FUND BALANCE, Ending	\$ 3,620,536	\$ 2,964,476	\$ 4,715,163	\$ 1,750,687

See the accompanying Independent Auditors' Report.

## CITY OF BRIGHTON, COLORADO

BUDGETARY COMPARISON SCHEDULELOTTERY RESERVE FUND

Year Ended December 31, 2008

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Intergovernmental				
Lottery Income	\$ 270,000	\$ 270,000	\$ 308,456	\$ 38,456
Investment Income	8,000	8,000	15,902	7,902
TOTAL REVENUES	278,000	278,000	324,358	46,358
EXPENDITURES				
Capital Outlay	590,650	840,650	659,149	181,501
TOTAL EXPENDITURES	590,650	840,650	659,149	181,501
NET CHANGE IN FUND BALANCE	(312,650)	(562,650)	(334,791)	227,859
FUND BALANCE, Beginning	582,226	582,226	598,387	16,161
FUND BALANCE, Ending	\$ 269,576	\$ 19,576	\$ 263,596	\$ 244,020

See the accompanying Independent Auditors' Report.

## CITY OF BRIGHTON, COLORADO

BUDGETARY COMPARISON SCHEDULE  
CEMETERY FUND

Year Ended December 31, 2008

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Charges for Services				
Grave Open/Close	\$ 98,800	\$ 98,800	\$ 104,335	\$ 5,535
Sale of Lots	65,000	65,000	62,705	(2,295)
Foundation Assessments	15,000	15,000	14,297	(703)
Investment Income	4,000	4,000	959	(3,041)
Miscellaneous	15,400	15,400	5,175	(10,225)
 TOTAL REVENUES	 198,200	 198,200	 187,471	 (10,729)
EXPENDITURES				
Cemetery	270,311	302,811	261,157	41,654
 TOTAL EXPENDITURES	 270,311	 302,811	 261,157	 41,654
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 (72,111)	 (104,611)	 (73,686)	 30,925
OTHER FINANCING SOURCES				
Transfers In	72,111	104,611	78,045	(26,566)
 NET CHANGE IN FUND BALANCE	 -	 -	 4,359	 4,359
FUND BALANCE (DEFICIT), Beginning	-	-	(4,176)	(4,176)
FUND BALANCE, Ending	\$ -	\$ -	\$ 183	\$ 183

See the accompanying Independent Auditors' Report.

## CITY OF BRIGHTON, COLORADO

BUDGETARY COMPARISON SCHEDULE  
SOUTH BRIGHTON GENERAL IMPROVEMENT DISTRICT  
 Year Ended December 31, 2008

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Investment Earnings	\$ -	\$ -	\$ 1,469	\$ 1,469
EXPENDITURES				
Capital Outlay	8,150,525	8,349,315	190,647	8,158,668
Debt Service				
Interest	-	-	4,859	(4,859)
TOTAL EXPENDITURES	8,150,525	8,349,315	195,506	8,153,809
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(8,150,525)	(8,349,315)	(194,037)	8,155,278
OTHER FINANCING SOURCES				
Bonds Issued	8,150,525	8,150,525	-	(8,150,525)
Transfers In	-	198,790	-	(198,790)
TOTAL OTHER FINANCING SOURCES (USES)	8,150,525	8,349,315	-	(8,349,315)
NET CHANGE IN FUND BALANCE	-	-	(194,037)	(194,037)
FUND BALANCE, Beginning	-	-	-	-
FUND BALANCE (DEFICIT), Ending	\$ -	\$ -	\$ (194,037)	\$ (194,037)

See the accompanying Independent Auditors' Report.

## CITY OF BRIGHTON, COLORADO

BUDGETARY COMPARISON SCHEDULE  
CAPITAL IMPROVEMENT FUND  
 Year Ended December 31, 2008

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Taxes				
Sales	\$ 3,264,000	\$ 3,264,000	\$ 3,347,193	\$ 83,193
Franchise	200,000	200,000	217,042	17,042
Other	25,000	25,000	28,151	3,151
Intergovernmental	1,500,000	1,500,000	1,769,207	269,207
Investment Income	175,000	175,000	300,089	125,089
Miscellaneous	-	-	3,055	3,055
<b>TOTAL REVENUES</b>	<b>5,164,000</b>	<b>5,164,000</b>	<b>5,664,737</b>	<b>500,737</b>
EXPENDITURES				
General Government	967,200	1,064,437	732,701	331,736
Public Safety	60,018	74,259	69,917	4,342
Public Works	2,462,951	13,492,616	7,992,269	5,500,347
Parks	139,000	64,000	51,372	12,628
Other Parks and Recreation	-	315,471	923	314,548
Bond Issuance Costs	-	-	78,142	(78,142)
<b>TOTAL EXPENDITURES</b>	<b>3,629,169</b>	<b>15,010,783</b>	<b>8,925,324</b>	<b>6,085,459</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<b>1,534,831</b>	<b>(9,846,783)</b>	<b>(3,260,587)</b>	<b>6,586,196</b>
OTHER FINANCING SOURCES (USES)				
Bonds Issued	-	7,700,000	7,700,000	-
Bond Premium	-	-	194,010	194,010
Capital Lease	-	500,000	500,000	-
Transfers In	924,000	4,795,614	130,679	(4,664,935)
Transfers Out	(1,670,000)	(2,360,000)	(2,321,351)	38,649
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(746,000)</b>	<b>10,635,614</b>	<b>6,203,338</b>	<b>(4,432,276)</b>
NET CHANGE IN FUND BALANCE	788,831	788,831	2,942,751	2,153,920
FUND BALANCE, Beginning	3,963,586	3,963,586	6,176,451	2,212,865
FUND BALANCE, Ending	<u>\$ 4,752,417</u>	<u>\$ 4,752,417</u>	<u>\$ 9,119,202</u>	<u>\$ 4,366,785</u>

See the accompanying Independent Auditors' Report.

## CITY OF BRIGHTON, COLORADO

BUDGETARY COMPARISON SCHEDULE  
PARKS AND RECREATION CAPITAL FUND  
 Year Ended December 31, 2008

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Sales Taxes	\$ 2,290,000	\$ 2,290,000	\$ 2,335,799	\$ 45,799
Intergovernmental				
Open Space Grant	210,000	215,000	510,731	295,731
Other	200,000	200,000	200,000	-
Investment Income	50,000	50,000	88,751	38,751
Miscellaneous	-	7,245	9,059	1,814
TOTAL REVENUES	2,750,000	2,762,245	3,144,340	382,095
EXPENDITURES				
Capital Outlay	1,369,823	4,036,140	2,985,012	1,051,128
TOTAL EXPENDITURES	1,369,823	4,036,140	2,985,012	1,051,128
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,380,177	(1,273,895)	159,328	1,433,223
OTHER FINANCING SOURCES (USES)				
Transfers In	40,000	2,905,347	362,565	(2,542,782)
Transfers Out	(1,095,275)	(1,224,452)	(1,095,321)	129,131
TOTAL OTHER FINANCING SOURCES (USES)	(1,055,275)	1,680,895	(732,756)	(2,413,651)
NET CHANGE IN FUND BALANCE	324,902	407,000	(573,428)	(980,428)
FUND BALANCE, Beginning	1,352,894	1,352,894	2,834,010	1,481,116
FUND BALANCE, Ending	\$ 1,677,796	\$ 1,759,894	\$ 2,260,582	\$ 500,688

See the accompanying Independent Auditors' Report.



CITY OF BRIGHTON, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
Year Ended December 31, 2008

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
EXPENDITURES			
Debt Service			
Principal	\$ 2,112,300	\$ 2,172,517	\$ (60,217)
Interest and Fiscal Charges	724,700	625,880	98,820
TOTAL EXPENDITURES	<u>2,837,000</u>	<u>2,798,397</u>	<u>38,603</u>
OTHER FINANCING SOURCES			
Transfers In	<u>2,837,000</u>	<u>2,798,397</u>	<u>(38,603)</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE, Beginning	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying Independent Auditors' Report.

## CITY OF BRIGHTON, COLORADO

BUDGETARY COMPARISON SCHEDULECEMETERY PERPETUAL CARE FUND

Year Ended December 31, 2008

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Charges for Services	\$ 40,000	\$ 33,345	\$ (6,655)
Perpetual Care Fees	40,000	68,277	28,277
Investment Income			
TOTAL REVENUES	80,000	101,622	21,622
EXPENDITURES			
Contingency	80,000	-	80,000
NET CHANGE IN FUND BALANCE	-	101,622	101,622
FUND BALANCE, Beginning	-	1,192,543	1,192,543
FUND BALANCE, Ending	\$ -	\$ 1,294,165	\$ 1,294,165

See the accompanying Independent Auditors' Report.

## CITY OF BRIGHTON, COLORADO

BUDGETARY COMPARISON SCHEDULE  
WATER, SEWER AND DRAINAGE FUND  
 Year Ended December 31, 2008

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Utility Sales	\$ 10,450,000	\$ 10,450,000	\$ 10,405,501	\$ (44,499)
Miscellaneous	120,000	120,000	108,510	(11,490)
Investment Income	1,600,000	1,600,000	1,477,676	(122,324)
Tap Fees	40,000	40,000	4,620	(35,380)
Plant Investment Fees	3,200,000	3,200,000	743,746	(2,456,254)
Transfers In	-	3,500	3,500	-
<b>TOTAL REVENUES</b>	<b>15,410,000</b>	<b>15,413,500</b>	<b>12,743,553</b>	<b>(2,669,947)</b>
EXPENDITURES				
Operations	5,218,355	7,211,973	4,802,574	2,409,399
Administration	1,263,225	1,263,225	1,393,386	(130,161)
Capital Outlay	6,036,569	23,465,984	11,058,920	12,407,064
Debt Service				
Principal	1,595,318	1,595,318	1,595,318	-
Interest	520,202	520,202	460,310	59,892
Transfers Out	-	948,790	-	948,790
Contingency	3,305,000	3,305,000	-	3,305,000
<b>TOTAL EXPENDITURES</b>	<b>17,938,669</b>	<b>38,310,492</b>	<b>19,310,508</b>	<b>18,999,984</b>
CHANGE IN NET ASSETS, Budgetary Basis	\$ <u>(2,528,669)</u>	\$ <u>(22,896,992)</u>	(6,566,955)	\$ <u>16,330,037</u>
ADJUSTMENTS TO GAAP BASIS				
Amortization			(87,326)	
Depreciation			(4,181,093)	
Capital Outlay			11,058,920	
Principal Payments			1,595,318	
Special Item - Distribution from Joint Venture			418,895	
CHANGE IN NET ASSETS, GAAP Basis			2,237,759	
NET ASSETS, Beginning			124,430,234	
NET ASSETS, Ending			\$ <u>126,667,993</u>	

See the accompanying Independent Auditors' Report.

## CITY OF BRIGHTON, COLORADO

BALANCE SHEET  
COMPONENT UNITS  
 December 31, 2008

	URBAN RENEWAL AUTHORITY	CULTURAL ARTS COMMISSION
ASSETS		
Cash and Investments	\$ 1,245,502	\$ 590,693
Restricted Cash and Investments	3,244,398	-
Accounts Receivable	632,949	-
Taxes Receivable	1,439,411	-
Interest Receivable	2,438	1,025
Property Held for Resale	542,187	-
	<u>\$ 7,106,885</u>	<u>\$ 591,718</u>
TOTAL ASSETS		
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts Payable	\$ 367,470	\$ 231
Retainage Payable	1,011	-
Accrued Wages Payable	5,798	-
Deferred Revenues	1,439,411	45,378
Loan From City	763,384	-
	<u>2,577,074</u>	<u>45,609</u>
TOTAL LIABILITIES		
FUND BALANCES		
Reserved for Debt Service	815,994	-
Reserved for Capital Projects	2,428,404	-
Reserved for Property Held for Resale	542,187	-
Unreserved	743,226	546,109
	<u>4,529,811</u>	<u>546,109</u>
TOTAL FUND BALANCES		
	<u>\$ 7,106,885</u>	<u>\$ 591,718</u>
TOTAL LIABILITIES AND FUND BALANCES		
Amounts Reported in the Statement of Net Assets are Different Because:		
Total Fund Balances	\$ 4,529,811	\$ 546,109
Debt Issuance Costs, Net of Accumulated Amortization	189,246	-
Capital Assets, Net of Accumulated Depreciation	6,228,405	-
Long-Term Debt	(10,399,202)	-
	<u>\$ 548,260</u>	<u>\$ 546,109</u>
Total Net Assets		

See the accompanying Independent Auditors' Report.

CITY OF BRIGHTON, COLORADO  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
COMPONENT UNITS  
Year Ended December 31, 2008

	<u>URBAN RENEWAL AUTHORITY</u>	<u>CULTURAL ARTS COMMISSION</u>
REVENUES		
Sales Taxes	\$ 125,404	\$ -
Property Taxes	1,206,838	-
Intergovernmental	654,989	117,851
Investment Income	160,478	16,621
Miscellaneous	<u>13,721</u>	<u>1,320</u>
TOTAL REVENUES	<u>2,161,430</u>	<u>135,792</u>
EXPENDITURES		
Current		
Urban Renewal	929,139	-
Cultural Arts Programs	-	100,613
Bond Issuance Costs	89,200	-
Capital Outlay	4,044,512	-
Debt Service		
Principal	34,886	-
Interest and Fiscal Changes	<u>558,678</u>	<u>-</u>
TOTAL EXPENDITURES	<u>5,656,415</u>	<u>100,613</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,494,985)</u>	<u>35,179</u>
OTHER FINANCING SOURCES		
Bonds Issued	4,700,000	-
Bond Discount	<u>(47,000)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES	<u>4,653,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	1,158,015	35,179
FUND BALANCES, Beginning, As Restated	<u>3,371,796</u>	<u>510,930</u>
FUND BALANCES, Ending	<u>\$ 4,529,811</u>	<u>\$ 546,109</u>

Amounts Reported in the Statement of Activities are Different Because:

Net Change in Fund Balances	\$ 1,158,015	\$ 35,179
Capital Asset Acquisitions	4,044,512	-
Depreciation Expense	(83,140)	-
Bonds Issued	(4,700,000)	-
Bond Discount	47,000	-
Bond Issuance Costs	89,200	-
Principal Retirement	34,886	-
Change in Compensated Absences	15,314	-
Amortization of Discount	(2,350)	-
Amortization of Debt Issuance Costs	<u>(9,630)</u>	<u>-</u>
Change in Net Assets	<u>\$ 593,807</u>	<u>\$ 35,179</u>

See the accompanying Independent Auditors' Report.

## STATISTICAL SECTION

	<b><u>PAGE</u></b>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the City's financial performance and position have changed over time.	45- 49
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the City's most significant revenue sources.	50 - 52
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the City's ability to service current levels of outstanding debt and the City's ability to issue additional debt in the future.	53 - 56
<b>Demographic and Economic Information</b>	
This schedule offers demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	57 - 58
<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	59 - 61

**Schedule 1**  
**City of Brighton, Colorado**  
**Net Assets, Last Four Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year			
	2005	2006	2007	2008
Governmental Activities				
Invested in capital assets, net of related debt	\$ 43,037,280	\$ 55,308,590	\$ 59,642,571	\$ 63,731,652
Restricted	3,934,493	4,447,440	5,404,940	4,733,343
Unrestricted	<u>19,000,962</u>	<u>13,089,222</u>	<u>13,156,105</u>	<u>13,754,773</u>
Total governmental activities net assets	<u>\$ 65,972,735</u>	<u>\$ 72,845,252</u>	<u>\$ 78,203,616</u>	<u>\$ 82,219,768</u>
Business-type Activities				
Invested in capital assets, net of related debt	\$ 64,883,474	\$ 72,744,808	\$ 72,334,937	\$ 80,874,977
Restricted	-	-	-	251,028
Unrestricted	<u>39,795,517</u>	<u>43,094,272</u>	<u>52,095,297</u>	<u>46,265,976</u>
Total business-type activities net assets	<u>\$ 104,678,991</u>	<u>\$ 115,839,080</u>	<u>\$ 124,430,234</u>	<u>\$ 127,391,981</u>
Primary Government				
Invested in capital assets, net of related debt	\$ 107,920,754	\$ 128,053,398	\$ 131,977,508	\$ 144,606,629
Restricted	3,934,493	4,447,440	5,404,940	4,984,371
Unrestricted	<u>58,796,479</u>	<u>56,183,494</u>	<u>65,251,402</u>	<u>60,020,749</u>
Total primary government net assets	<u>\$ 170,651,726</u>	<u>\$ 188,684,332</u>	<u>\$ 202,633,850</u>	<u>\$ 209,611,749</u>

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003

SOURCE: Current and prior year's financial statements

**Schedule 2**  
**City of Brighton, Colorado**  
**Changes in Net Assets, Last Four Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year			
	2005	2006	2007	2008
<b>Expenses</b>				
Governmental Activities:				
General Government	\$ 7,308,338	\$ 7,722,986	\$ 10,257,758	\$ 8,620,265
Public Safety	4,990,570	5,023,801	5,712,692	5,676,002
Public Works	3,089,775	5,563,402	2,171,314	4,193,829
Parks and Recreation	3,477,693	3,171,885	3,394,152	3,879,670
Cemetery	301,872	346,953	329,898	294,660
Community Development	969,539	1,067,087	1,215,504	1,198,076
Noise Mitigation Program	69,653	26,373	277,746	77,013
Interest on long-term debt	627,870	554,397	496,341	617,501
Total governmental activities expenses	<u>20,835,310</u>	<u>23,476,884</u>	<u>23,855,405</u>	<u>24,557,016</u>
Business-type Activities:				
Water Operations	5,193,190	6,243,392	5,869,168	5,961,518
Sewer Operations	3,190,289	3,639,506	3,798,361	3,889,986
Drainage Operations	307,731	440,660	592,947	1,073,185
Housing Authority	-	-	-	1,932,397
Total business-type activities expenses	<u>8,691,210</u>	<u>10,323,558</u>	<u>10,260,476</u>	<u>12,857,086</u>
Total primary governmental expenses	<u>\$ 29,526,520</u>	<u>\$ 33,800,442</u>	<u>\$ 34,115,881</u>	<u>\$ 37,414,102</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	\$ 201,700	\$ 197,461	\$ 672,377	\$ 535,974
Public Safety	626,249	533,397	574,564	508,168
Public Works	248,785	160,149	177,039	123,962
Parks and Recreation	790,879	821,314	830,040	937,702
Cemetery	208,653	165,195	224,994	214,842
Community Development	1,602,446	1,067,339	795,708	724,239
Noise Mitigation Program	1,400	800	153,304	-
Operating Grants and contributions	1,104,274	959,896	1,860,214	1,248,282
Capital grants and contributions	<u>12,611,405</u>	<u>6,850,779</u>	<u>3,581,925</u>	<u>3,634,425</u>
Total governmental activities program revenues	<u>17,395,791</u>	<u>10,756,330</u>	<u>8,870,165</u>	<u>7,927,594</u>
Business-type activities:				
Charges for services				
Water	5,456,553	6,345,976	6,353,898	6,301,870
Sewer	3,135,840	3,383,409	3,421,934	3,479,642
Drainage	648,151	903,174	790,028	623,989
Housing Authority	-	-	-	279,968
Operating grants and contributions	-	-	-	1,662,392
Capital grants and contributions	<u>17,435,900</u>	<u>8,912,781</u>	<u>5,747,136</u>	<u>748,366</u>
Total business-type activities program revenues	<u>26,676,444</u>	<u>19,545,340</u>	<u>16,312,996</u>	<u>13,096,227</u>
Total primary government program revenues	<u>\$ 44,072,235</u>	<u>\$ 30,301,670</u>	<u>\$ 25,183,161</u>	<u>\$ 21,023,821</u>



**Schedule 2 (continued)**  
**City of Brighton, Colorado**  
**Changes in Net Assets, Last Four Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year			
	2005	2006	2007	2008
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (3,439,519)	\$ (12,720,554)	\$ (14,985,240)	\$ (16,629,422)
Business-type activities	17,985,234	9,221,782	6,052,520	239,141
Total primary government net expenses	<u>\$ 14,545,715</u>	<u>\$ (3,498,772)</u>	<u>\$ (8,932,720)</u>	<u>\$ (16,390,281)</u>
<b>General Revenues and Changes in Net Assets</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 1,473,906	\$ 1,593,510	\$ 1,695,073	\$ 1,818,770
Sales and use taxes	14,565,686	15,636,083	16,210,123	16,495,097
Other taxes	1,028,756	1,305,327	1,386,100	1,524,308
Unrestricted grants and contributions	107,415	204,253	139,748	54,634
Investment income	523,754	840,364	912,559	756,265
Noise Mitigation Program	24,950	13,535	-	-
Gain(Loss) on sale of capital assets	-	-	-	-
Transfers	-	-	-	(3,500)
Total governmental activities	<u>17,724,467</u>	<u>19,593,072</u>	<u>20,343,603</u>	<u>20,645,574</u>
Business-type activities:				
Investment income	\$ 784,019	\$ 1,563,421	\$ 2,172,279	\$ 1,480,258
Miscellaneous	220,157	374,886	366,355	539,267
Transfers	-	-	-	3,500
Total business-type activities	<u>1,004,176</u>	<u>1,938,307</u>	<u>2,538,634</u>	<u>2,023,025</u>
Total primary government	<u>\$ 18,728,643</u>	<u>\$ 21,531,379</u>	<u>\$ 22,882,237</u>	<u>\$ 22,668,599</u>
<b>Changes in Net Assets</b>				
Governmental activities	\$ 14,284,948	\$ 6,872,518	\$ 5,358,363	\$ 4,016,152
Business-type activities	18,989,410	11,160,089	8,591,154	2,262,166
Total primary government	<u>\$ 33,274,358</u>	<u>\$ 18,032,607</u>	<u>\$ 13,949,517</u>	<u>\$ 6,278,318</u>

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003

SOURCE: Current and prior year's financial statements

**Schedule 3**  
**City of Brighton, Colorado**  
**Fund Balances, Governmental Funds, Last Four Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year			
	2005	2006	2007	2008
General Fund				
Reserved	\$ 883,104	\$ 983,382	\$ 1,045,915	\$ 1,242,529
Unreserved	<u>5,778,715</u>	<u>4,532,366</u>	<u>2,701,654</u>	<u>2,816,548</u>
Total General Fund	<u>\$ 6,661,819</u>	<u>\$ 5,515,748</u>	<u>\$ 3,747,569</u>	<u>\$ 4,059,077</u>
 All other Governmental Funds combined				
Reserved	\$ 3,272,493	\$ 3,562,440	\$ 4,624,940	\$ 3,818,343
Unreserved, reported in:				
Special revenue funds	4,965,887	5,494,214	4,859,916	4,616,055
Capital projects funds	8,680,790	3,759,043	6,176,451	9,119,202
Debt Service funds	<u>106,475</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 17,025,645</u>	<u>\$ 12,815,697</u>	<u>\$ 15,661,307</u>	<u>\$ 17,553,600</u>

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003

SOURCE: Current and prior year's financial statements

**Schedule 4**  
**City of Brighton, Colorado**  
**Changes in Fund Balances, Total Governmental Funds, Last Four Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year			
	2005	2006	2007	2008
<b>Revenues by Source</b>				
Taxes	\$ 18,472,371	\$ 19,865,141	\$ 20,798,287	\$ 21,607,382
Licenses, fees and permits	1,332,749	913,129	564,538	487,218
Intergovernmental	1,694,948	1,982,575	3,208,519	2,866,497
Charges for services	3,585,886	2,805,451	2,441,937	1,951,849
Fines and forfeitures	528,622	416,191	458,315	386,103
Investment income	523,754	840,364	912,559	756,265
Miscellaneous	230,833	469,756	829,613	521,354
Total revenues	<u>26,369,163</u>	<u>27,292,607</u>	<u>29,213,768</u>	<u>28,576,668</u>
<b>Expenditures by Function</b>				
General Government	7,634,769	8,648,929	10,341,052	8,696,818
Public Safety	5,078,648	5,233,867	5,517,909	5,126,037
Public Works	3,566,712	9,223,355	4,191,910	9,709,984
Parks and Recreation	2,620,779	2,904,826	3,038,271	3,010,051
Cemetery	343,425	380,154	328,198	261,157
Community Development	1,034,765	1,046,724	1,191,815	1,166,111
Noise Mitigation Program	69,653	26,373	277,746	77,013
Bond Issuance Costs	-	-	-	78,142
Capital Outlay	2,148,177	2,389,927	1,101,531	3,834,808
Debt Service				
Principal	1,790,718	2,215,449	1,646,377	2,172,517
Interest	521,395	579,022	501,528	630,739
Total expenditures	<u>24,809,041</u>	<u>32,648,626</u>	<u>28,136,337</u>	<u>34,763,377</u>
Excess of revenues over (under) expenditures	1,560,122	(5,356,019)	1,077,431	(6,186,709)
<b>Other Financing Sources (Uses)</b>				
Bond Proceeds	-	-	-	7,700,000
Bond Premium	-	-	-	194,010
Lease Proceeds	-	-	-	500,000
Payments to escrow agent	339,475	-	-	-
Transfers in	3,933,315	3,932,195	4,405,445	3,993,961
Transfers out	(3,933,315)	(3,932,195)	(4,405,445)	(3,997,461)
Total other financing sources (uses)	<u>339,475</u>	<u>-</u>	<u>-</u>	<u>8,390,510</u>
Net change in fund balances	<u>\$ 1,899,597</u>	<u>\$ (5,356,019)</u>	<u>\$ 1,077,431</u>	<u>\$ 2,203,801</u>
Debt service as a percentage of noncapital expenditures	10.20%	9.24%	7.94%	9.06%

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003

SOURCE: Current and prior year's financial statements

**Schedule 5**  
**City of Brighton, Colorado**  
**Sales Tax Revenue by Category**  
**Last Four Fiscal Years**

	Fiscal Year			
	2005	2006	2007	2008
General merchandise	\$ 3,882,093	\$ 4,452,346	\$ 4,328,695	\$ 4,456,693
Food stores	1,660,944	1,623,737	1,844,959	1,740,670
Eating and drinking establishments	982,413	1,129,513	1,302,577	1,377,368
Building materials/home improvements	836,671	984,707	1,271,205	1,253,823
Auto dealers/repairs/supplies	790,489	805,496	823,658	844,328
Utilities	788,883	885,562	958,822	1,057,140
Telecommunications	593,777	632,046	708,777	688,398
Other retail stores	443,713	458,061	473,640	616,683
All other categories	1,566,633	2,017,005	2,350,145	2,953,978
Total	<u>\$ 11,545,616</u>	<u>\$ 12,988,473</u>	<u>\$ 14,062,478</u>	<u>\$ 14,989,081</u>
City direct sales tax rate	3.75%	3.75%	3.75%	3.75%

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003.  
Does not include sales tax on motor vehicles and use tax on building materials.

SOURCE: City of Brighton sales tax system.

**Schedule 6**  
**City of Brighton, Colorado**  
**Direct and Overlapping Sales Tax Rates**  
**Last Four Fiscal Years**

	Fiscal Year			
	2005	2006	2007	2008
City of Brighton	3.75%	3.75%	3.75%	3.75%
State of Colorado	2.90%	2.90%	2.90%	2.90%
Adams County	0.70%	0.70%	0.75%	0.75%
Weld County	0%	0%	0%	0%
Rapid Transit District (RTD)	1.00%	1.00%	1.00%	1.00%
Scientific and Cultural Facilities District (SCFD)	0.10%	0.10%	0.10%	0.10%
Football Stadium District	0.10%	0.10%	0.10%	0.10%
Total direct and overlapping sales tax rates	<u>8.55%</u>	<u>8.55%</u>	<u>8.60%</u>	<u>8.60%</u>

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003  
The RTD, SCFD, and Football Stadium District sales tax does not apply in Weld County.

SOURCE: State of Colorado Department of Revenue

**Schedule 7**  
**City of Brighton, Colorado**  
**Principal Sales Tax Payers**  
**Current Year and Nine Years Ago**

	Fiscal	Year
	2008	1999
Aggregate top ten filers <sup>1</sup>	\$ 8,185,826	\$ 4,041,809
Aggregate all other filers	<u>6,803,255</u>	<u>2,702,845</u>
Total sales tax	<u>\$ 14,989,081</u>	<u>\$ 6,744,654</u>
Top ten filers as a percentage of total sales tax	54.61%	59.93%

<sup>1</sup> Colorado State Statutes and City of Brighton Ordinances prohibit disclosure of individual sales tax returns, therefore the current year top ten filers are listed in alphabetical order as follows: Home Depot, King Soopers, Kohl's, Lowes, Safeway, Target, United Power, Wal-Mart, Western United, Xcel Energy.

NOTE: The City of Brighton implemented GASB34 as of December 31, 2003

SOURCE: City of Brighton sales tax system

**Schedule 8**  
**City of Brighton, Colorado**  
**Ratio of Outstanding Debt, by Type**  
**Last Four Fiscal Years**

	Fiscal Year			
	2005	2006	2007	2008
Governmental Activities				
<sup>1</sup> Sales Tax Revenue Bonds	\$ 2,225,000	\$ 1,560,000	\$ 1,165,000	\$ 7,990,000
Certificate of Participation	7,150,000	6,815,000	6,465,000	6,095,000
Capital Leases	3,998,757	2,783,309	1,881,932	1,454,415
Total Governmental Activities	13,373,757	11,158,309	9,511,932	15,539,415
Business-type Activities				
<sup>2</sup> General Obligation Water Bonds	9,470,000	8,255,000	7,000,000	5,705,000
Sewer Revenue Bonds Note	3,232,557	2,964,054	2,685,022	2,395,461
State Water Loan Note	65,733	54,139	43,896	33,140
Total Business-type Activities	12,768,290	11,273,193	9,728,918	8,133,601
Total primary government				
Sales Tax Revenue Bonds	2,225,000	1,560,000	1,165,000	7,990,000
Certificate of Participation	7,150,000	6,815,000	6,465,000	6,095,000
Capital Leases	3,998,757	2,783,309	1,881,932	1,454,415
General Obligation Water Bonds	9,470,000	8,255,000	7,000,000	5,705,000
Sewer Revenue Bonds Note	3,232,557	2,964,054	2,685,022	2,395,461
State Water Loan Note	65,733	54,139	43,896	33,140
Total primary government	<u>\$ 26,142,047</u>	<u>\$ 22,431,502</u>	<u>\$ 19,240,850</u>	<u>\$23,673,016</u>
<sup>3</sup> Percentage of Personal Income	2.86%	2.17%	1.76%	2.33%
<sup>3</sup> Debt Per Capita	\$ 871.40	\$ 700.98	\$ 590.86	\$ 708.17

<sup>1</sup> The sales tax revenue bonds are pledged with 1.5% of the City's 3.75% sales tax.

<sup>2</sup> General obligation bonds have been issued for business-type activities. While general obligation water bonds are direct obligations and pledge the full faith and credit of the City, the City is bound by bond covenant to establish water rates which will provide for operations and debt service.

<sup>3</sup> See Schedule 13 for personal income and population data.

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003

SOURCE: Current and prior year's financial statements

**Schedule 9**  
**City of Brighton, Colorado**  
**Ratio of General Bonded Debt Outstanding and Legal Debt Margin,**  
**Last Four Fiscal Years**

	Fiscal Year			
	2005	2006	2007	2008
General bonded debt outstanding				
General obligation debt <sup>1</sup>	\$ 9,470,000	\$ 8,255,000	\$ 7,000,000	\$ 5,705,000
Total	<u>9,470,000</u>	<u>8,255,000</u>	<u>7,000,000</u>	<u>5,705,000</u>
Actual water sales <sup>2</sup>	\$ 5,456,553	\$ 6,312,608	\$ 6,330,173	\$ 6,257,631
Percentage of actual water sales	173.55%	130.77%	110.58%	91.17%
Debt Per Capita <sup>3</sup>	\$ 315.67	\$ 257.97	\$ 214.96	\$ 170.81
Less: Amounts set aside to repay general debt	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total net debt applicable to debt limit	\$ -	\$ -	\$ -	\$ -
Legal debt limit <sup>4</sup>	<u>60,842,035</u>	<u>66,117,183</u>	<u>68,657,283</u>	<u>72,767,024</u>
Legal debt margin <sup>5</sup>	<u>\$ 60,842,035</u>	<u>\$ 66,117,183</u>	<u>\$ 68,657,283</u>	<u>\$ 72,767,024</u>
Legal debt margin as a percentage of debt limit	100.00%	100.00%	100.00%	100.00%
Computation of maximum debt allowed:				
2008 actual value of property			\$ 2,288,576,108	\$ 2,425,567,454
Legal debt limit percentage			<u>3%</u>	<u>3%</u>
Legal debt limit			<u>\$ 68,657,283</u>	<u>\$ 72,767,024</u>

<sup>1</sup> General obligation bonds have been issued for business-type activities. While general obligation water bonds are direct obligations and pledge the full faith and credit of the City, the City is bound by bond covenants to establish water rates which will provide for operations and debt service.

<sup>2</sup> Source: Current and prior year's financial reporting system.

<sup>3</sup> See Schedule 13 for personal income and population data.

<sup>4</sup> The legal debt limit is 3% of the actual value of the property as determined by the County Assessor's Offices.

<sup>5</sup> The legal debt margin is the City's available borrowing authority.

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003.  
 SOURCE: Current and prior year's financial statements.



**Schedule 10**  
**City of Brighton, Colorado**  
**Direct and Overlapping Governmental Activities Debt**  
**As of December 31, 2008**

<b>Jurisdiction</b>	<b>General Obligation Bonded Debt Outstanding</b>	<b>Percentage Applicable to City</b>	<b>Estimated Share of Overlapping Debt</b>
Direct Debt:			
City of Brighton	<u>\$ 5,705,000</u>	100%	<u>\$ 5,705,000</u>
Overlapping Debt:			
Adams-Weld School Dist. 27J	176,075,000	9%	15,846,750
Adams County	0	N/A	0
Fire District	0	11%	0
Weld County	0	7%	0
Prairie Center Metro. Dist. #1-5	0	100%	0
Brighton Crossing Metro. Dist.	0	100%	0
South Beebe Draw Metro Dist.	0	100%	0
Bromley Park Metro. Dist. #2	33,515,000	100%	33,515,000
Bromley Park Metro. Dist. #3	20,335,000	100%	20,335,000
Bromley Park Metro. Dist. #6	<u>2,230,000</u>	100%	<u>2,230,000</u>
	<u>\$ 232,155,000</u>		<u>\$ 71,926,750</u>

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003.

SOURCES: Adams County and Weld County Assessor's Offices;  
Adams-Weld School District 27J; Brighton area Fire District;  
Bromley Park Metropolitan Districts #1-4.

**Schedule 11**  
**City of Brighton, Colorado**  
**Pledged-Revenue Coverage**  
**Last Four Fiscal Years**

Sales Tax Revenue Bonds <sup>1</sup>						
Fiscal Year	Sales Tax Increment	Debt Service		Coverage Ratio		
		Principal	Interest			
2005	4,217,347	630,000	148,551	5.42		
2006	4,499,467	665,000	116,970	5.75		
2007	5,467,280	395,000	82,680	11.45		
2008	5,258,728	875,000	249,846	4.68		

Sewer Note Payable <sup>2</sup>						
Fiscal Year	Gross Sewer Revenues	Less: Operating Expenses <sup>4</sup>	Net Available Revenue	Principal Interest		Coverage Ratio
2005	3,637,728	3,462,863	174,865	257,973	0.00 <sup>3</sup>	0.68
2006	4,352,562	3,714,608	637,954	268,504	101,393	1.72
2007	4,679,711	3,737,091	942,620	279,032	108,942	2.43
2008	4,488,750	3,747,165	741,585	289,562	93,425	1.94

<sup>1</sup> The Sales Tax Revenue Bonds are repaid by a pledged 1.50% sales tax.

<sup>2</sup> The Sewer Note payable is repaid from Sewer User fees.

<sup>3</sup> There was no interest in 2004 or 2005 as the underlying Revenue Bonds were refunded.

<sup>4</sup> Operating Expenses include amortization, depreciation, and loss on disposal of capital assets.

NOTE: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003.

**Schedule 12**  
**City of Brighton, Colorado**  
**Principal Employers**  
**Current Year and Nine Years Ago**

	2008			1999		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Adams County	1,700	1	17.13%	1,230	1	18.76%
School District 27J	1,579	2	15.91	559	2	8.53
Platte Valley Medical Center	607	3	6.11	330	4	5.03
City of Brighton	477	4	4.81	152	8	2.32
Super Wal-Mart	365	5	3.68	170	7	2.59
Metalwest	300	6	3.02	132	9	2.01
Petrocco Farms	300	7	3.02	300	5	4.58
Sakata Farms	300	8	3.02	200	6	3.05
K-Mart Distribution Center	206	9	2.08	525	3	8.01
Super Target	200	10	2.01	N/A	N/A	N/A <sup>1</sup>
United Power	163	11	1.64	125	10	1.91
Total	<u>6,197</u>		<u>62.43%</u>	<u>3,723</u>		<u>56.78%</u>

<sup>1</sup> Super Target opened in 2006.

NOTE: The City of Brighton implemented GASB34 as of December 31, 2003

SOURCE: Brighton Economic Development Corporation

**Schedule 13**  
**City of Brighton, Colorado**  
**Demographic and Economic Statistics**  
**Last Four Fiscal Years**

Fiscal Year	Population <sup>1</sup>	Total Personal Income <sup>2</sup> (thousands of dollars)	Per Capita Personal Income <sup>3</sup>	Median Age <sup>4</sup>	School Enrollment <sup>5</sup>	Unemployment Rate <sup>6</sup>
2005	30,000	912,480	30,416	32.20	10,523	4.00%
2006	32,000	1,031,712	32,241	32.40	9,862	5.00%
2007	32,564	1,090,842	33,498	32.00	9,934	4.30%
2008	33,400	1,013,723	30,351	32.50	12,608	5.00%

**SOURCE:**

- <sup>1</sup> Bureau of Census Adams and Weld Counties
- <sup>2</sup> State Department of Labor
- <sup>3</sup> State Department of Labor
- <sup>4</sup> State Department of Local Affairs
- <sup>5</sup> Adams/Weld School District 27J
- <sup>6</sup> State Department of Labor

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003.

**Schedule 14**  
**City of Brighton, Colorado**  
**Full-Time Equivalent City Government Employees**  
**By Function/Program**  
**Last Four Fiscal Years**

Departments	2005	2006	2007	2008
City Manager	4.5	4.5	4.3	4.2
Municipal Court	4.0	4.0	5.0	5.0
Economic Development	2.0	2.0	2.0	2.0
Information Technology	6.0	7.0	7.0	8.9
Special Events	3.0	3.0	3.5	4.0
Facilities Maint.	8.0	8.0	10.0	11.0
Rec. Facil. Maint.	4.0	4.0	4.0	1.0
Human Resources	2.0	3.0	4.0	4.0
City Clerk	4.0	4.0	4.0	4.0
Finance	5.0	5.0	5.0	5.0
Procurement	2.0	3.0	3.0	3.0
Community Development				6.0
Bldg. Inspection	5.0	5.0	6.5	6.0
Code Enforcement	2.0	2.0	3.0	2.0
Plan & Zoning	8.0	9.0	8.0	5.0
Engineering			1.0	1.0
Police:				
Crime Control	51.0	52.0	53.0	53.0
Support Services	10.8	12.0	12.0	12.0
Animal Control	2.0	3.0	3.0	3.0
Victim Services	1.0	1.0	1.0	0.0
Emergency Management	1.0	1.0	1.0	1.0
Public Works:				
Admin.	5.0	6.0	7.6	5.8
Street Maint.	11.5	12.5	12.5	14.5
Fleet Maint.	3.5	3.5	3.5	3.5
Parks & Recreation:				
Admin.	3.0	3.0	3.0	3.0
Youth Initiative	1.0	1.0	1.0	0.0
Sr. Center	4.0	4.0	4.0	4.0
Fitness & Outdoor Rec.	1.0	1.0	1.0	1.0
Sports & Athlet.	2.0	2.0	2.0	2.0
Parks Maint.	8.0	9.0	10.0	11.0
Aquatics	2.0	2.0	3.0	3.0
Rec. Center	8.5	8.5	8.5	8.5
Tiny Tot, Youth & Teen	2.5	2.5	2.5	2.5
General Interest	0.5	0.5	0.5	0.5
Cemetery	4.0	4.0	4.0	4.0
Urban Renewal Authority	1.5	2.5	2.5	2.8
Water/Sewer Billing	5.0	5.0	5.0	5.0
Water /Wastewater Operations	18.0	20.0	20.0	16.4
R/O Plant	7.0	8.0	8.0	7.5
WWTP	8.0	8.0	8.0	7.5
Wastewater Operations	0.0	0.0	0.0	2.0
Water Resources	0.0	0.0	0.0	2.0
<b>Total FTE</b>	<b>221.3</b>	<b>235.5</b>	<b>246.9</b>	<b>247.6</b>

SOURCE: City of Brighton Budgets.

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003.

**Schedule 15**  
**City of Brighton, Colorado**  
**Operating Indicators by Function/Program**  
**Last Four Fiscal Years**

<u>Function/Program</u>	<u>Fiscal Year</u>			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Police				
Calls for service	45,836	45,557	48,506	48,748
Arrests	3,153	3,013	2,859	2,864
Summons issued	6,578	5,694	5,817	5,342
Public Works				
Street resurfacing (miles)	5.3	2.6	2.3	21.6
Street slurry seal (miles)	0.6	1.2	2.2	16.0
Parks and Recreation				
Recreation Center admissions	79,431	89,838	77,196	82,650
Senior Center program participants	21,292	19,057	22,582	21,141
Water				
Gallons pumped (millions)	1,825	1,782	1,814	2,023
Average daily consumption (million gallons)	4.226	4.938	4.930	5.542
Wastewater				
Gallons treated (millions)	767	771	790	761
Cemetery				
Interments	128	140	118	139

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003.

SOURCE: Various City departments.

**Schedule 16**  
**City of Brighton, Colorado**  
**Capital Asset Statistics by Function/Program**  
**Last Four Fiscal Years**

	<b>Fiscal</b>		<b>Year</b>	
	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b><u>Function/Program</u></b>				
Police				
Stations	1	1	1	1
Patrol units	31	31	31	31
Public Works				
Street Miles	149.14	152.14	154.05	152.55
Parks and Recreation				
Recreation Center	1	1	1	1
Senior Center	1	1	1	1
Parks	40	40	47	47
Park acreage	275.6	275.6	276.08	235.84
Swimming pools	3	3	3	3
Tennis courts	8	8	8	8
Skateboard Park	1	1	1	1
Inline Hockey Rink	1	1	1	1
4-Plex Ballfields	2	2	2	2
Open Space (acres)	672.92	672.92	672.92	671.66
Trails (miles)	27.4	27.4	27.4	27.4
Water				
Treatment plant	1	1	1	1
Water mains (miles)	124.89	128.58	129.94	129.94
Water customers	8298	8790	89.07	9324
Storage capacity (million gallons)	16.8	16.8	16.8	16.8
Wastewater				
Treatment plant	1	1	1	1
Sanitary sewer (miles)	106	109.47	111.93	111.93
Storm sewer (miles)	17	18.22	18.48	18.48
Cemeteries	2	2	2	2

NOTE: The City of Brighton implemented GASB 34 as of December 31, 2003

SOURCE: Various City departments.

## **COMPLIANCE SECTION**



The public report burden for this information collection is estimated to average 380 hours annually.

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: Brighton
		YEAR ENDING : December 2008
This Information From The Records Of: City of Brighton	Prepared By: Phone:	Carol Gangwer (303) 655-2007

**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

**II. RECEIPTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT
<b>A. Receipts from local sources:</b>	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	3,306,927
4. Miscellaneous local receipts (from page 2)	623,000
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	7,815,868
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	7,815,868
7. Total (1 through 6)	11,745,795
<b>B. Private Contributions</b>	
<b>C. Receipts from State government</b> (from page 2)	742,535
<b>D. Receipts from Federal Government</b> (from page 2)	0
<b>E. Total receipts (A.7 + B + C + D)</b>	12,488,330

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT
<b>A. Local highway disbursements:</b>	
1. Capital outlay (from page 2)	7,568,850
2. Maintenance:	1,271,463
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	23,897
c. Other	
d. Total (a. through c.)	23,897
4. General administration & miscellaneous	247,216
5. Highway law enforcement and safety	373,495
6. Total (1 through 5)	9,484,921
<b>B. Debt service on local obligations:</b>	
1. Bonds:	
a. Interest	242,676
b. Redemption	1,387,517
c. Total (a. + b.)	1,630,193
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	1,630,193
<b>C. Payments to State for highways</b>	
<b>D. Payments to toll facilities</b>	
<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	11,115,114

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>	1,881,931	7,815,868	1,387,517	8,310,282
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>				0

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	1,373,734	12,488,330	11,115,114	2,746,950	0

**Notes and Comments:**

Bond proceeds from A.6.a. will be 100% spent in 2009.

<b>LOCAL HIGHWAY FINANCE REPORT</b>		STATE: Colorado YEAR ENDING: 12/08 December 2008	
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
<b>ITEM</b>	<b>AMOUNT</b>	<b>ITEM</b>	<b>AMOUNT</b>
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	221,799
b. Other local imposts:		b. Traffic Fines & Penalties	198,614
1. Sales Taxes	3,016,273	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	130,679	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	23,008
5. Specific Ownership &/or Other	159,975	g. Other Misc. Receipts	
6. Total (1. through 5.)	3,306,927	h. Other	179,579
c. Total (a. + b.)	3,306,927	i. Total (a. through h.)	623,000
(Carry forward to page 1)		(Carry forward to page 1)	
<b>ITEM</b>	<b>AMOUNT</b>	<b>ITEM</b>	<b>AMOUNT</b>
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	655,754	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	86,781	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	86,781	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	742,535	3. Total (1. + 2.g)	
		(Carry forward to page 1)	
<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs	2,775		2,775
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		284,028	284,028
(3). System Preservation		7,152,704	7,152,704
(4). System Enhancement & Operation	127,904	1,439	129,343
(5). Total Construction (1) + (2) + (3) + (4)	127,904	7,438,171	7,566,075
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	130,679	7,438,171	7,568,850
			(Carry forward to page 1)
<b>Notes and Comments:</b>			